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A
COMPLETE SYSTEM
OF
BOOK-KEEPING,
AFTER THE
ITALIAN METHOD:
IN TWO PARTS.

PART I. relating to *Theory*, contains Rules for that Purpose never printed before in any Language; so few and short as to be learnt almost in an Instant, and retained without burthening the Memory; and so plain and perfect as that three Hours, or less, are sufficient to teach this whole Branch of it by them.—As also an Explanation of the Manner of keeping Accounts in two Sorts of *Specie*, namely, Domestic and Foreign for one and the same Article: without which neither Merchants who send Consignments abroad, or receive any Goods from thence for their own Accounts; nor Proprietors of Estates in *Ireland*, or elsewhere abroad, who reside here, can keep regular Accounts, and *vice versa*.—To which is added the Manner of keeping *Bank*, *India*, and other Stock after the *Italian Method*.—As likewise some Candid Animadversions on the Erroneous and Imperfect Method of Book-keeping taught and practised among us, contained in an *Essay on Book-keeping*, &c. by *Wm. Webster*.

PART II. relating to *Practice*, contains a Plan of Commerce adapted to the Rules aforesaid, giving proper Examples of every Manner in which a *Merchant* can engage in Trade, and of the various Cases which may occur to him therein.—As also Directions how to apply the *Italian Method* of Book-keeping, on the one Hand, to the Use of *Warehousemen*, *Shopkeepers*, &c. and of *Proprietors of Estates*, *Stewards*, &c. on the other.—Together with the Form of an *Epitome*, or Monthly Abstract of a *Merchant's* Books of Account; very proper to carry always about him, not only for disburthening his Memory, and enabling him to carry on his Business with a less Capital, but to shew him the State of his Affairs, if his Books should be destroyed by Fire, or any other Accident.

By JOHN LONDON, late of *Tiverton*, MERCHANT.

The THIRD EDITION. 12 C 2

PART I. relating to THEORY.

Candidus imperti. HOR.

L O N D O N :

Printed for the AUTHOR; and sold by Mr. COMYN, Mr. JAMES, and Mr. WARD, at the *Royal-Exchange* in *Cornhill*; Mr. KEITH in *Gracechurch-Street*; Mr. BALDWIN in *Paternoster-Row*; Mr. RUSSEL at *Temple-Bar*; and most other Booksellers. Price 6s. 1758.

BOOK-K-FILE IN
COMPLETE SYSTEM


WILLIAM H. O'DONNELL



MVSEVM
BRITAN
NICVM

To the Honourable the SOCIETY for the Encouragement of
ARTS, MANUFACTURES, and COMMERCE.

ILLUSTRIOUS PATRIOTS,

 OR so I take the Liberty to stile you, as a *Society* embarked in a Design to cultivate *Arts, Manufactures, and Commerce*, in a Nation whose *Genius*, tho' thought not so good at *Invention*, has been generally allowed to excel as to *Improvement*: on which Account the *Fitness* of your associating yourselves for that Purpose, cannot be too much acknowledged, and your Undertaking applauded.

This great and good Design of yours, naturally makes me presume to put under your *Patronage*, a Work which treats of an *Art and Science*, than which none, perhaps, deserves it more; whether one considers either the *Usefulness* of it to *Mankind* in general, and to this great *Mercantile Nation* in particular; or the *Imperfect* and *Erroneous Notions* which have been hitherto, but too commonly, entertained amongst us, even in this greatest of *Commercial Cities*: I mean a new and accurate Edition of a Treatise, stiled, *A Complete System of Book-Keeping, after the ITALIAN Method*.

First, as to the *Usefulness*, and even *Necessity* of some Kind of *Method* or other of Book-keeping, I beg leave to observe, that it is but too evident, that the *Publick* Affairs of this Nation in particular, could not be conducted without it. And it is altogether as certain, that the more *Regular* any Method can be contrived for that Purpose, the better it must answer the End in every Respect.

The same Thing is equally applicable to *Private Life* also; there not being any one Person whatever, that is possess'd of any Property, but wants the Use of it in some Degree, or other. And even those who could do without it in their own Respect, may by the Knowledge of it become useful to some others wanting their Assistance. So that the Benefit to be reaped from this *Art and Science*, is by no means confined to the *Mercantile Part* only, but extends itself *universally*; namely, to the *Representatives* of the whole Nation, whether of the *Nobility*, or *Commonalty*; to the *Minister of State*; to the *Gentleman of Fortune*; to the *Divine*; to the *Lawyer*; to the *Physician*; to the *Military Gentlemen*, whether serving by *Sea*, or *Land*; and, in fine, to all *Professions* of Men among us. Nor are even the *Fair-Sex* of all Ranks and Conditions excluded: All which I shall endeavour to illustrate in my *Preface* to the *First Part* of this Work.

And, as the *Art of Book-keeping* appears, at first Sight, to be of a Nature so extensively *beneficial*; so that Kind of it, stiled the *ITALIAN Method*, is universally allowed to exceed all others. as much as a *Machine* the most *perfect* that can be formed

formed by Human Contrivance and Invention, exceeds any other calculated for the same Use; but planned and executed in a most *bungling* and *ill-concerted* Manner.— These were the Sentiments of that *Noble Mathematician*, who was the Inventor of *Logarithms*, when he speaks thus: * “ which Method of Accounts, by *Debtor* and *Creditor*, is so comprehensive and perfect, as makes it worthy to be put among the *Sciences*, and to be understood by all *Virtuosi*, whether they ever intend to make use of it or no, even for pure Satisfaction and Curiosity, or rather Admiration; as happens when, with some Pains, we have attained the Knowledge of any *Art* or *Skill*, tho’ less complex than this: which through the Invention of Ages past, universal Practice, and in Matters of Interest (the fiercest Engagements of Human Wit and Stratagem) is reduced, as this is, to a consummate Degree of Perfection.† —Therefore his *Lordship* thinks, that, besides the real Value of it in Life, every ingenious *Gentleman* may have reason to know this Art, as a Sort of Human Learning.”

To the Remarks of this *great Man*, I hope it will not be thought improper, if I add one which hath occur’d to me from my own Experience; namely, that those *Gentlemen* who have hitherto called upon me to assist them in going through a *Course* of this Art, according to the *Plan* of *Commerce* laid down in the *Second Part* of this *Treatise*, have, instead of meeting with a dry Study in it as they expected, found it so highly *delightful*, as that one of them declared, he thought it exceeded even the ENTERTAINMENTS of the *Theatre*: an Opinion which all the Rest, when told of it, likewise joined in. And no Wonder, as I think I may say without Vanity, that there is not any one *Play* that hath so great a Variety of Scenery in it, nor so regular a Plan to proceed upon, as I have given therein.—But, here is another Circumstance in which it infinitely excels: and that is, the ENTERTAINMENTS of the *Theatre* are at best but *short-lived* as well as *expensive*, and cannot always be re-assumed at one’s *Will*: whereas, if the *Art* of *Book-keeping* is but properly applied to a Person’s own Concerns, it may not only make the ENTERTAINMENT *continual* and *perpetual*; but mix *real Profit* with their *Pleasures*, and render them *substantial* as well as *delightful*.

Secondly, as to the *Imperfect* and *Erroneous* Notions which too commonly prevailed among us in respect of this *Art*, before I published the *first* Edition of this my *Complete System* of *Book-Keeping*; I hope, they will sufficiently appear from the following Circumstance; namely, that a *Traet*, stiled, *An Essay on Book-Keeping after the True ITALIAN Method*: published by one *William Webster*, the Master of a celebrated *Academy* in Town, and corrected by his Son *Ellis Webster*, who succeeded him therein after his Decease, said by the *Author* to have been approved of before its Publication, by so *eminent* a *Merchant*, and so *intelligent* a *Gentleman* as the late *Sir Charles Peers*; and after it came out by *some others*, whom he stiles the *best Judges*; and which was so much esteemed in *general*, as that it had been twice printed in a little more than twelve Months, appeared to me, on the tenth Edition of it being put into my Hands as the *very best* *Traet* extant on the Subject, so very *faulty*, as that, in the only *Example* which he gives of a *Merchant*’s sending a Cargo abroad to be sold for his Account, he makes it out, that he gains by a *Consignment*

* Quoted by Mr. Malcome in his *Treatise* of *Book-Keeping*.

† In the *Preface* of a little Piece, stiled *The Art of Book-Keeping made easy to the Young and the Unexperienced*, referred to in this *Treatise*, there is an Attempt made to prove that *Solomon* himself, as the *greatest* of *Merchants*, and *wisest* of *Men*, was the first *Inventor* of this *Art*.

ment to *Barbadoes*, valued at £. 196 Sterling, no less than £. 54; whereas, if the Account had been stated rightly, he actually lost £. 6 by it, as I have fully demonstrated in this *Treatise*, which I have now the Honour to address to you. And this Manner of instructing *Youth* in the *Art*, was so far from being peculiar to *himself*, that I was assured by an eminent *Schoolmaster*, it was the *general* Method used by those of his *Profession*: and I have Reason to believe that this Declaration was true, from the *Books* of several of the *most noted* among them, by which they had instructed their *Pupils*, and which I had the Opportunity of *perusing*.—So that, if the *Art* of *Book-Keeping* be no better understood in the *Counting-Houses* of this great *Trading City*, than in its *Academies* for teaching it, a *Merchant* who hath largely embarked in Trade, might well imagine he was getting an *immense* Estate; whilst instead of it, he would find himself quite *undone*.—This an eminent *Merchant* of *London*, in telling me how little the *true Method* of *Book-keeping* was known in Town, assured me was the Fate of a near *Relation* of his own, well known personally to myself also, who had, said he, the *best* of *Correspondents* in the large Commerce he carried on; and yet died *insolvent* for want of knowing how to keep his *Books properly*, at the same time that he would not imploy a Person, capable of doing it for him.—How careful then should *Parents* and *Guardians* be, to get *Youth* instructed in this *Art* on *Right Principles*, as their *Prosperity* so much depends upon it; especially, as they are not always sure of meeting with such *Instructions*, even in the *Counting-Houses* of *Merchants* themselves.*

I shall now beg leave to give some Account of my *own* Performance, as to this *Treatise*. Accordingly it consists of two Parts: The *first*, relating to *Theory*, and the *second*, to *Practice*.

In the *First Part*, I have given such excellent Rules, as none other *Art* or *Science* can boast of, for stating Transactions on a Book, relating thereto, stiled a *JOURNAL*, in which the whole Difficulty of the *Art* of *Book-keeping* consists, never printed before in any Language: so few and short as that they may be learnt in an Instant, and retained ever after, without burthening the Memory; and yet, at the same time, so *perfect* and *effectual*, as that, even Persons quite ignorant of the Meaning of the plainest Terms of the *Art* before, namely, those of *Dr.* and *Cr.* have not only been taught by them, how to *state*, *post*, *examine*, and *ballance* Books of Account, in which the whole Theory of the *Art* of *Book-keeping* is comprised; but reduced it into Practice also, in the Space of *three Hours*, or less.—Nay, a *Gentleman* of *Honour*, who is possess'd of considerable Estates in *Ireland* as well as *England*, and was never bred in the *Mercantile Way*, went through it all, in *two Hours*; and, at the same time, comprehended it so well, as that, on due Reflection, he resolved to state the former Year's Accounts of his Estates by those Rules, and actually executed it with but little of my Assistance; even without using any Book relating thereto also, stiled the *Waste-Book*, at all: tho' not only the Difference in Value between *Sterling* and *Irish Money*, but some other Circumstances attending his Affairs, rendered them as difficult to be stated and conducted rightly, as, perhaps, those of any Merchant whatever.—To these Rules I have added an Explanation of the Nature and Manner of keeping Accounts in two different Sorts of *Coin* or *Specie*, namely, *Domestic* and *Foreign*, at one and the same Time; without which, neither

* Neither Mr. *Webster*, or any other *Schoolmaster* whose Method of Teaching I have been able to meet with, have given so much as one Example of a *Merchant's* having received any Goods from abroad, sent him for his own Account; tho' so absolutely necessary to be understood.

the Accounts of a *Merchant* who resides in *Great-Britain*, and sends *Consignments* abroad, or receives Goods from thence for his own Account, can be rightly stated and conducted : nor of a *Gentleman* in the same Situation, who has *Estates* in *Ireland*, or elsewhere, and *vice versa*.—And, lastly, I have shewn the Manner of keeping Account of *Bank*, *India*, and other *Stocks* after the *Italian* Method also.

In the Second Part of my Treatise aforesaid, I have begun with extracting the Substance of all the *Instructions* which I gave in my first Part, and set them forth in a *Catechetical* Method, that they might be the better comprehended and remembered, by Persons the least susceptible of them.—I have then pointed out the respective Accounts, where Examples may be found of every different Manner in which a *Merchant* can engage in Commerce; as also of the various Cases which can occur to him by that Means. Then follows a complete Set of Books of Account relating to a well-regulated Course of Trade, for the Space of *Six Months*, beginning with a *Merchant's* first setting out in Business, and ending with his making a Balance of all his Accounts, and forming them again a-new; the whole by way of *Practice*. In the Execution whereof I have introduced so great a Variety, as to afford *Examples* of all Cases which may happen in Trade, as I have been just observing; and at the same Time, confined myself so closely to the Subject, as that there are scarce any two Accounts of one and the same Nature, but are diversified in some certain Particulars or other. And in order to give Instances of all the Variety possible in another Respect, the said Books are kept for the first *three Months* in such a Manner, as that a *Waste-Book*, *Journal*, and *Leidger* only, are made use of to serve all Purposes: the *Cash* being made to pass through the Hands of a *Banker*, for the most Part, and the Account of the rest being kept on the *Leidger*. But for the last three Months, the Use of both the *Waste-Book* and the *Banker* is laid aside; and an Account of *Cash* is kept on a *Cash-Book*, and posted from thence to the *Leidger* directly. Then follow such *Remarks* as I thought necessary for a proper Explanation of the Set of Books above-mentioned, and of the Method to be observed in conducting them. Then I have shewn, how the *Italian* Method of Book-keeping may be applied to, and made to serve the Use of, first, *Warehousemen*, *Shop-keepers*, and other *Tradesmen*; and, secondly, of *Proprietors* of *Estates*, *Stewards*, *Rentgatherers*, and, in short, of all other Persons who are not concerned in Trade at all. And, lastly, I have given the Form of an *Epitome*, or *Monthly Abstract* of a *Merchant's* Accounts, very useful to be always carried in his Pocket, as well for a Memorandum to ease his Thoughts, and enable him to carry on his Trade with a less Capital, as to shew the State of his Affairs with all his Dealers, if his Books should happen to be destroyed by Fire.

In going through this Task I have endeavoured to make the whole Affair as intelligible as the Nature of the Thing would admit of, and I flatter myself that a Person who hath any tolerable Notions of *Book-keeping*, may make himself Master of the Art without any further Instructions; if he hath but Patience to go through all the Rules by himself, and practise them by stating other Cases of the like Nature with those laid down in these Books. And as to the rest, if any Persons who do not chuse to take the Pains to go through them alone, I shall be always ready to assist them on their Application, without Reserve.

I shall now beg Leave to subscribe myself with the utmost Deference and Respect,

ILLUSTRIOUS PATRIOTS,

Your most obedient humble Servant,

John Gordon



T H E
P R E F A C E.

IT was the Advice of the wise Son of Sirach, EccLus. xlii. 7. *To deliver all Things in Number and Weight, and to put all in Writing that is given out, or received in; that is, in other Words, to be very exact in keeping a regular Account of all our Affairs and Dealings. A Piece of Advice which no body can dispute the Prudence of.* For, though a Person may by Strength of Memory *only*, a Strength natural to *some*, and acquired through long Practice by *others*, know pretty near how his Affairs stand with all those who have any Concerns with him; yet, if he be taken away by *sudden Death*, or, which amounts to the same, if his *Faculties* leave him by means of any Accident or Disease which seizes on him *unexpectedly*, and he has not committed his Concerns to *Writing*, that *Strength of Memory* which he had been possessed of, serves to no manner of Purpose *any longer*, and all his Affairs are left in the *dark*: The Mischiefs attending which Circumstances need not be *enumerated*, they being but too *obvious*. Nor are Instances of *Accidents* and *Diseases* befalling People, and depriving them of their Faculties, so *seldom* to be met with, as not to deserve some Regard.

There have been People, *indeed*, who have acquired considerable Fortunes by Trade, without having been able either to *read*, or *write*, and without having had any manner of *Accounts* kept for them, but what they themselves have done by *Marks* made either by *Chalk*, or *Pen and Ink*, in a Manner unintelligible to *any body else*, and sometimes even to *themselves*. But, surely, there is the greatest Reason to think, that had those Persons been *better qualified*, they would not only have done Things in a much *easier Manner*, but have made a much greater *Figure* in the World.

The same may be said, comparatively speaking, of Persons concerned in *Trade*, who never knew how to keep their Accounts in a regular Method *themselves*, nor employed others who were capable of doing it *for them*: For want of which they have partly trusted their Affairs to their *Memory*; partly to *loose Papers*; and partly to *Accounts* stated on their Books after a *crude* and *undigested* Manner. There have been Instances enough of such Persons as these having acquired *considerable Estates*, but it will, I believe, be allowed by all Men, that had their Minds been less *encumbered*, and the State of their Affairs been represented *clearly* to them, by only turning to the Accounts they might want at any Time to consult on their Books *regularly* kept, they would have been more at Liberty to think, and have *better known* how to have pushed Things *farther*. Not to mention how many very *sensible* and *industrious* Persons have been *ruined* from Time to Time, for want of having
their

their Accounts *regularly kept*, and consequently of knowing sufficiently what they were *about*, in regard to the Trade which they were engaged in.

Method in Business is, beyond Dispute, the *Life and Soul* of it; and for want of *Method* Things always go forward but very *heavily* at best, and many Times *mis-carry*. Consequently, the better that *Method* is, by which any Affairs are conducted, the *easier* and *quicker*, as well as the *better*, they are dispatched, and the *surer* the End and Design thereof is acquired. Of this Nature is the *Italian Method* of *Book-keeping* which I am about to treat of in these Sheets: A *Method* which whoever understands, cannot be ignorant in regard to any *other* Kinds of it, or to the Manner of applying that *particular System* to the Service of all *Ranks* and *Professions* of Men among us; whereas, on the contrary, a Person may understand *Figures* and *Accounts* very well, and yet be ignorant as to that *most excellent Art*. An Observation, the Truth of which will be *shewn*, when I come to treat thereof.

But, before I proceed, it may be fit to take Notice of a Failing very common to Persons concerned in *Trade*, which is this; that, though they do not know how to keep their Accounts in a *proper Manner*, they are either *ashamed* or *afraid*, to apply to some body to put them in the Way of doing it *themselves*, or to employ a *Book-keeper* to do it *for them*. Some such are *ashamed* to apply for *Instruction*, because they have gone on a long Time in *Ignorance*, without considering that the *wisest* of Men are quite at a Loss in regard to some *particular* Parts of Knowledge, though upon the *whole* they are Persons of an *excellent Understanding* and *great Experience* in Business in *general*; and therefore under such *Circumstances*, it can be no Disgrace to their *Abilities* to apply for *Instruction*, *though late in Life*, and in the *Height of Reputation*; but to neglect it in a Matter of Consequence, would be *reproachful* to their *Prudence*.

As for those of *less Knowledge* and *Penetration*, they would do well to consider, that it would be a much greater *Shame* to go on in the same Manner after they are become sensible of the *Inconveniencies* attending it, than to have Things put on a *better Bottom*, though the doing it be attended with some *Mortification* to them. Others, are *afraid* to have their Accounts conducted after the *Italian Method*, because they imagine, that in order to *regulate* and *carry them on*, it is absolutely *necessary* that their *Book-keepers* should know every *minute* Circumstance of their Affairs, how much soever some of them ought to be *concealed* from them. But such Notions as these are owing to nothing but a want of the Knowledge of that *Art*: for a Person who is well acquainted with it can conduct Things in such a Manner, as that his Affairs and Transactions in *general* shall be entered on the *Leidger*, which is kept by his *Book-keeper* in his *Counting-House*; whilst he reserves those *few Articles* which he would keep secret to be entered on another *Leidger* kept by himself in his *Closet*, between both which *Leidgers* there would be as strict and regular a Connection, as if the Thing had been done upon one Book, *only*.

As for Example; suppose a *Merchant* borrows, or lends any Sum of Money, which he would not let his *Book-keeper* into the Secret of: he may, in that Case, order *An Account* in his *own Name* to be made *DEBTOR* or *CREDITOR* for it upon his *Leidger* kept in his *Counting-House*, and at the same Time make the Persons to whom it was lent, or from whom it was borrowed, *DEBTOR* or *CREDITOR* for it to an *Account* in his *own Name* also, upon his *Leidger* kept in his *Closet*.

Again,

Again, there are *some others*, whose Affairs, not being *as well* as they would seem to make the World to believe, are both *ashamed* and *afraid* to let any body know it. Such Persons are of *two* Sorts, namely, such as have Effects *enough*, or *more than enough*, to discharge their *Engagements*; and such as have *not enough*, but are in a State of *Insolvency*. In both of these Cases, it is quite wrong to neglect the calling in of prudent knowing Persons, who are to be depended upon for keeping their *Secrets* to their *Assistance*, before Matters run into greater *Confusion*, that by having their Affairs put upon a better Bottom by *their Means*, the *first* Sort of these People may be the more capable, not only of preserving themselves from *Ruin*, but retrieving their *Circumstances*; and that, by being made sensible of the *true State* of their Affairs, the *latter* Sort may know the better, how to extricate themselves out of their *distressed* and *melancholy* Situation, more to the Satisfaction of their *Creditors*, as well as of *themselves*, than they could do by going on *blindfold*, and in the *dark*, to the greater Injury of their *Neighbours*, and to their *own utter Ruin*.

Thus far the *Preface* of the first Edition: what follows next is taken from an Author now lying before me, which I chuse to transcribe, as they are not only Sentiments well expressed, and exactly agreeable to my own, but exceedingly well adapted to the Purpose mentioned in my *Dedication*.

“When a Man breaks in *Holland*, they generally say, that such an one has not kept a *good Account*: and though there are sundry Exceptions to this general Remark, it must be allowed, in all Countries, that most People are disordered in their Affairs, for want of knowing or practising the *Art of Accomptantship*; and if the being ignorant of that Art, or indolent in the Exercise of it, hath such bad Effects on Individuals, it must prove no less pernicious to civil Society; especially if disregarded by Men of Fortune, and Persons in the highest Stations.

The *Art of Accomptantship* is not only applicable to the Regular Adjustment of the Variety of Transactions among Traders of every Denomination, but also to the private Affairs of Gentlemen and Noblemen: And as it well becomes all Persons of the greatest Distinction to take due Care of their Estates; so nothing, perhaps, can have a happier Tendency to that End, than a Knowledge in the Art of DEBTOR and CREDITOR, as well as that of Numbers. For *Merchants Accompts*, says Mr. *Locke*, though a Science not likely to help a *Gentleman* to get an Estate, yet possibly there is not any thing of more Use and Efficacy to make him preserve the Estate he has. 'Tis seldom observed, that he who keeps an Account of his Income and Expence, and thereby has constantly under View the Course of his Domestic Affairs, lets them run to ruin: And I doubt not but many a Man gets behind hand before he is aware; or runs further on when he is once in, for want of this Care, or Skill to do it.—I would therefore advise all Gentlemen to learn perfectly *Merchants Accounts*, and not to think it a Skill that belongs not to them, because it hath received its Name, and has been chiefly practised by Men of Traffic.

Nor is Accountantship, continues the Author above-mentioned, less useful to the Gentlemen of the Law, than to private Gentlemen; and not only to those who are intended for the Bar, but to all Solicitors and Attornies; Litigations between Traders making so considerable a Proportion of the Business of our Courts of Law and Equity. Without the perfect Knowledge of DEBTOR and CREDITOR, in particular, Accounts may be so craftily and sophistically stated, as to deceive the

most upright Judge and Jury, as well as the Council, if they are not capable of unravelling them in the Course of their Pleadings.

Persons of Distinction also, who are concerned in the chief Posts of the public Revenue, or who act in the Senatorial Capacity, cannot be too well skilled in Accountantship. The one will thereby be enabled to acquit himself with Credit and Reputation in whatever Branch of the Revenue he shall be employed; and the other will become perfectly acquainted with the Finances and Money Affairs of the Kingdom. For such is the Nature and Excellency of the Mercantile Art of DEBTOR and CREDITOR by double Entry, that it is as easily applicable to the Accounts of Nations, as to those of Traders, or private Gentlemen; Millions being as familiarly adjusted thereby, as Hundreds of Pounds. When once a Person is acquainted with the several Funds from whence the National Revenue arises, as likewise their Appropriations to the Payment of Interest of such of the National Creditors; when it is duly observed in what Manner the Deficiencies of some Funds are occasionally supplied, and the Surpluses of others transferred; when the general Heads of such Accounts are understood from the Statutes, and the Accounts annually laid before the Parliament are duly attended to; any Gentleman, well grounded in the Art of DEBTOR and CREDITOR, may obtain as complete a Knowledge of the Money Affairs of the Nation, as of his own Private Concerns: that is, when he is a Master of the Facts relating thereto, and the distinct Heads under which the Funds are kept, he will be capable so to state those Accounts by way of Charge and Discharge, or Debt and Credit, as always to have a satisfactory View before him of a State of the National Debts and Funds, and of the several Variations they shall from Time to Time undergo."

Thus far my Author, who hath handled the Subject so fully and judiciously in respect of the *Great*, and the *Opulent*, that nothing seems to be needful to be added to it. The following Remark, which hath often occurred to me on Reflexion, may not however improperly come in here, namely, that if a young Gentleman ever so intent on Amusements ruinous to him, could but be prevailed on to keep a regular Account of his Transactions, he would soon acquire a quite different Turn of Mind, and become sensible that a small Part of his Time and Fortune which he so unthinkingly squanders away, if imployed in Acts of Beneficence and Benevolence, would give him such a Pleasure and Satisfaction, as is not to be met with in any the most extravagant Excesses. But as to the *Lawyer*, it may not be improper to observe further, that a Gentleman eminent in that Profession told me, that if he had not learnt Merchants Accounts in his Youth with a View of ingaging in Commerce, he should not have been able to carry a Cause of great Concern for his Client before the late *Lord Chancellor*. Agreeably hereto it is said in the Life of Judge *Hales*, that he also lookt on the Knowledge of Accounts, as a Thing that might be useful to him in his own Employment, and acquired it to such a Degree, that he often on the Bench resolved very difficult Questions, which had puzzled the best Accountants in the City. As to the Usefulness of this Knowledge to the *Divine*, it may be observed, that they have not only their own private Affairs to manage and conduct (most Times necessary to be done with the utmost Prudence, Frugality, and Oeconomy) but are often wanted to be consulted with in regard to those of their Parishioners also. The *Physician*, in like Manner, hath not only his own Fortune to manage and make the best of, but by the Knowledge of this Art he may some-

times

times render himself of double Value to his Patients also : as the Disorders in their Constitutions often proceed from the Disorder of their Minds, arising from the Perplexity and Intricacy of their Affairs. As to the *Officer*, whether engaged in the Service by Sea or Land, besides the Advantage that the Knowledge of the Art of Accountantship would be to them in their private Concerns, as well as the public, its being founded and conducted on a Plan so very regular, naturally inspires those who understand it, with prudent Forecast, good Order, and strict Discipline ; the Consequence whereof seldom fails of being productive of great Actions, and uninterrupted Success. And as to the Usefulness which the Knowledge of Figures and Accounts would be to the *Fair-Sex*, I shall repeat here, what I have said elsewhere on that Head.* For it hath often happened, that a fine Branch of Trade hath been lost to a young Family by the Death of a *Father*, for want of the *Mother's* Knowledge how to keep her Accounts in order to continue it till they grew up : Whilst, on the other hand, many a fair Estate hath been actually preserved from Ruin, cleared from Incumbrances, and restored to a Family by a *Widow Lady*, whose natural Talents and uncommon Abilities only chalk'd out the Way for her : a Way which would have been much easier to her however, if she had received proper Instructions in her *Youth*.—Besides, these Qualifications in the *Sex* may often be of great Service, not only to their *Husbands* in their Life-time, but to their *Fathers* and *Mothers* before, in the Assistance which they will be qualified to give them ; and are still the more valuable, as they naturally instil into the Minds of *both Sexes*, the Principles of *Industry*, *Frugality*, and *Oeconomy* : all which Advantages put together, will scarce ever fail of making them better *Sons*, better *Daughters*, better *Husbands*, better *Wives*, better *Fathers*, better *Mothers*, better *Apprentices*, better *Servants*, better *Masters*, and better *Mistresses*, than they would have been otherwise.

“ Since then the Art of Accountantship is of such general Use, and so indispensably necessary to Persons in Public Employments, I cannot but wonder, says my Author before quoted, that more Care is not taken to ground Gentlemen well in it, preferably to some other Branches of Knowledge, which are more ornamental to the Possessor, than useful to the Nation. If our Nobility and Gentry could be early habituated to the Practice of this Art in their own Private Concerns, even before their Estates fall to them, they would afterwards continue it with Pleasure ; and, as nothing could be more conducive to the Attainment of *Frugality* and *Oeconomy*, we should see much fewer of them making Breaches in their Estates, or running out intirely.

It should therefore, adds he, in my humble Opinion, be a Rule at the *Universities*, to admit no Gentlemen's or Noblemen's Sons, unless they be previously versed in *Merchant's* Accounts, that so they might be better qualified to manage their own Fortunes, and serve the Public to better Purposes, than most of them have been able to do hitherto.”—How far this last Proposal ought to be complied with, I shall not take upon me to determine ; but this, I presume, will be readily admitted, that the Art of Accountantship, for the many Reasons already given, deserves to be taken into the Number of other Arts and Sciences, and taught to all Ranks and Professions among them, as one of the most beneficial and necessary of all.

As

* In the Preface of the *Art of Book-keeping made easy to the Young, and the Unexperienced.*

As to the *Mercantile* Part, the Nature of whose Employment doth not call them to the Seats of Learning for their Education, there seems to have been a vulgar Error crept in and industriously propagated among them of a very fatal Tendency, which is, that Book-keeping is best learnt in the Counting-House; tho' the true State of the Case is this; that if the Theory of Book-keeping is taught at all, it is done at School; and if it be taught there on right Principles, then, indeed, the Counting-House is best to perfect a young Gentleman in it, especially if the Books kept there be formed and conducted upon right Principles also. But if, on the contrary, it be his Lot to be placed in one where Accounts are carried on in any Degree of Imperfection, be it more or less, without his having been better instructed before-hand, he will naturally proceed in the very same Manner in conducting his own Affairs, whenever he comes to act for himself, let the Method be ever so erroneous and absurd, because he knows no better: whereas, had he been in such a Case initiated into the Art on right Principles before-hand, he would not have failed to regulate his own Affairs thereafter, how much soever he might have been obliged to act otherwise for those he served. This Method of grounding Youth at School in the Art of Accountantship is generally observed in *Holland*, and hence it is that in their great Towns, almost every Schoolmaster who teaches Writing and Arithmetic, teaches the *Italian* Method of Book-keeping also, in good Perfection; whilst there are so few among us in Proportion, that pretend to it all. Hence it is that a School-Boy in *Holland* would have set the late Mr. *Webster* right, as to his Erroneous and Imperfect Notions of Book-keeping, contained in his celebrated *Essay* on that Art, tho' esteemed by his Acquaintance for his good Sense and excellent Understanding. Hence it is that we continually have such Numbers of Bankrupts here, among our *Merchants*, *Warehousemen*, and *Shop-keepers*, whilst they have so very few there, as to occasion the Proverb before quoted; and hence, lastly, it is that the *Dutch*, without having scarce any Product of their own Country to go to Market with, are Rivals in Trade to all their *Neighbours*. For, being once initiated into the true Knowledge of this most excellent Art, they not only understand what they are about, but always have their Interest in view, and seldom miscarry in their Pursuit of it.—The *Dutch* Schoolmasters, however, don't pretend to qualify any one for conducting a Set of Books in a *Counting-House*, as I hinted above, which is easily seen by the Books used by their *Pupils*, they being in a State of Imperfection in that Respect; but only ground them rightly: whereas those Gentlemen who may think fit to go through a Course of Book-keeping as laid down in this Treatise, will find themselves thereby capable of executing it in real Business also, as they will meet with nothing but what is adapted to it, and, indeed, that can be distinguished from it.

I shall now conclude with recommending the little Tract afore-mentioned, stiled, *The Art of Book-Keeping made easy to the Young and the Unexperienced*, sold by the same Bookfellers, to be bound up with this Treatise, being a proper Supplement to it: as it contains Matters relating to the Art of great Importance, tho' it was not so proper to insert them in the *Complete System* itself, for Reasons given therein.



Of BOOK-KEEPING.

BOOK-KEEPING is an Art, which gives People who have any Dealings in the World, a Knowledge of the true State of their Affairs and Circumstances, for the better Regulation of their Conduct, in pursuit of their Interests.

Of all the Methods of *Book-keeping* which have hitherto prevailed, that called the ITALIAN is the most to be preferred; for it being carried on by double Parties, all the Articles which relate to every Transaction in Trade, are thereby conducted in a plain, distinct, and uninterrupted Manner, like the Links of a Chain that is whole and unbroken: Every Article in Trade that comes to be negotiated, having a CREDITOR belonging to it, as well as a DEBTOR; and on the other hand a DEBTOR, as well as a CREDITOR; a DEBTOR, which hath respect to the *last* Alteration, which had been made in regard to any Article negotiated; and a CREDITOR, which hath respect in like manner to the *next* that comes to take Place. Which Circumstance, absolutely necessary for the *keeping of Books* in a regular manner, all other Methods are deficient in.

To illustrate what I have said by Example: Let us suppose, that I JOHN JAMES being in Trade, have Occasion to borrow *One Hundred Pounds* for a *Month*, in order to buy a Bargain. By this means *I* come to have more Money in my Custody than I had before, and *He*, supposed to be JAMES JOHNSON, who lent it me hath less. In Consequence hereof, *Account of Cash* ought to be made DEBTOR upon *my* Books for the Sum which is come into my Hands: And at the same Time *Account of Cash* ought to be CREDITED upon *his* Books for so much gone from him*.

On the other hand, after I have repaid the Money to the Person who lent it me, there remains a lesser Sum in *my* Custody than there was before; and *He* on the contrary hath more. In consequence whereof, *I* ought to enter the Sum of Money disbursed by me, to the CREDIT of *Account of Cash* on *my* Books, which had been made DEBTOR for it before, and *He* on the other hand ought to make *Account of Cash* DEBTOR for it on *his* Books, because of its being come into his Custody again*. So that here is a manifest and strict Connection between the Books of the Person from whom I received the Money and my own, in regard to the Affair transacted between us.

And as the Books of a Person in Trade have a Connection with those of other Persons, in respect to any Affairs that may at any Time be transacted between them; so they have as strict a Connection with the different Accounts, which may have been formed upon his own Books.

B

As

* These Cases are stated on the Waste Book, Journal and Leidger, which stand on Page 8, 9, 10.

As for *Example*, with the *One Hundred Pounds* which I am supposed to have borrowed abovementioned, I buy *Sixty Pieces* of *Stuffs*, supposed of *Henry Walker*, and pay ready Money for them; by this Means *One Hundred Pounds* in *Cash* goe out of my Hands, and *Woollen Goods*, which are become my own *Property*, come into my Possession. In Consequence whereof, *Account of Woollen Goods* (an Account which stands, or ought on this Occasion to be raised on my Books of Account) must be made DEBTOR *One Hundred Pounds* for the Cost of the said *Sixty Pieces* of *Stuffs*, and *Account of Cash* must be made CREDITOR at the same time for that *Sum*, so much having been paid for them*.

On the other hand, before the Time expires for which I had borrowed the *Sum* abovementioned, I find an Opportunity of selling the said *Sixty Pieces* of *Stuffs* which I had bought with it, for *One Hundred and Five Pounds* ready Money, supposed to *John Brown*; in which Case *Account of Cash* ought to be made DEBTOR, for the *Sum* which is come into my Hands; and *Account of Woollen Goods* ought at the same time to be made CREDITOR, for the Produce of the said *Sixty Pieces*, which are gone from me. And as to the *Five Pounds*, which remains over and above the Ballance of the said *Account of Woollens* on the CREDITOR Side, because of the Profit which I acquired by buying and selling the said *Sixty Pieces*, That Account ought to be made DEBTOR for it, in order to ballance and shut it up, as the Affair is quite finished; and *Account of Profit and Loss* ought at the same Time to be made CREDITOR for it, as it is so much Money *gained* by this Transaction. And upon ballancing all the Accounts which stand open upon a Merchant's Books (which ought to be always done when his old ones come to be full, or may be done at any other Time that he thinks fit) this *Profit*, together with all the rest of his *Gains*, must be ingrafted into his *Capital* or *Stock*: Which is done by making *Profit and Loss* DEBTOR, for the said *Sum* or *Sums* so *gained*, and *Capital* or *Stock* Creditor for the same, and by this Means all Affairs relating to that Circumstance also will be brought to a Conclusion*.

But here it is necessary to *observe*, in order the better to comprehend what I have been saying, that *all Things*, whether it be *Money*, or whether it be *Merchandize*, or *Effects* of any other Kind whatever, which come into a Merchant's Hands, ought always to be entered upon an Account raised for that Purpose, upon Books of Account, with a fit Title placed at its Head, on the Side of the DEBTOR. And on the other hand, all Things which go out of his Possession, must be always entered on the Side of the CREDITOR: For all the Accounts, of which I have been speaking, must be formed respectively upon *two* Leaves of a Book of Account for *each*, the Leaves *facing* one another. And upon the Leaf which is on the *Left Hand*, must be set the Title of the Account abovementioned, wrote in *large Characters* with the Letters DR. signifying DEBTOR, at the outermost End of the said Title upon the *Right Side* of it: And upon the opposite Leaf at the *Right Hand*, must be wrote those *Latin Words*, PER CONTRA, in Characters of the same Size as the Title, which Words signify in *English*, ON THE OTHER HAND; and at the End of the said Words, as far as one can go on the *Right Side*, must be wrote also the Letters CR. The Signification of all which is none other than this, that the Account, the Title of which stood on the *Left Hand* Leaf or

Side,

* These Cases are stated on the Waste Book, Journal, and Leidger aforesaid, also.

Side, a Side which is appropriated for every Thing which is to be made DEBTOR, is on the *Per Contra*, or on the *Right Hand* Side, which stands facing it, to be made CREDITOR, for every Thing which comes under that Denomination; that Side being appropriated for this Purpose, as the opposite, was for the other: That so by comparing *one* of those Sides with its *Fellow*, it might always appear how the *Ballance* of the Account stands; as also the *true State* of the Affairs relating thereto, from *first* to *last*. All which will be further explained, when I come to set down the *Form* itself of the *Book* in Question, as I shall do by and by. A *Book*, which is called the LEIDGER, from the *Latin* Word *LEGO*, to *gather*, or *collect together*: It being the chief Book made use of by a *Merchant* to collect and state *all* his Accounts upon, whether they relate to those several Persons with whom he hath any *Dealings*, or to these different Kinds of Merchandize in which he *trades*.

It must likewise be remarked here, that not *any one Account* whatever ought to be made CREDITOR on Books of Account, for any Effects of any Kind, before some other Account hath been made DEBTOR for them; or in other Words, *some other Account*, or *Accounts*, must be always charged with all the Effects which have been entered on Books of Account, when any Alteration in respect of Property comes to be made relating thereto, before *any other Account*, or *Accounts*, on which it may have been put, ought to be discharged from them; so that *some certain Account*, or *Accounts*, or *other*, must always remain answerable, either for these *Effects themselves*, or for the *Products* of them.

To these Observations, give me leave to add another, namely, that no sooner do Effects of any Kind either become a Merchant's *Property*, or go out of his *Possession*, than they ought to be entered to Book *accordingly*; contrary to the Practice of *some*, who imagine that they ought not to make their *Correspondents* CREDITORS for *Bills of Exchange*, &c. received from them, till they become *due*, and have actually entered into *Cash*: Whereas it ought to be done provisionally.

In order to give *Instructions* for keeping Books after the *Italian* Method, it is necessary to make use of three Books, *viz.* A *Memorial* or *Waste-Book*, a *Journal*, and a *Leidger*. This *Leidger* is the Book to which all that I have been saying hitherto relates, when I have been speaking of Books of Account. Now the Use of these Books is as follows.

In the MEMORIAL, or WASTE-BOOK, all the *Transactions* which are done in *Trade* every Day ought to be set down, together with all the *Particulars* relating thereto, in a *plain*, *easy*, and *familiar* Style, serving only to give a Description of the Affair that hath been *negotiated*, just in the manner it *happened*. — To shew the Method of which, the following Article, (an *Article* that hath been already spoken of) may serve for an *Example*.

I *John James* of *London*, Merchant, having *Sixty Pieces* of *Stuffs* in my Hands on the *10 April*, 1748. sold them to *John Brown* for *One Hundred and Five Pounds* ready Money. In this Case it must be entered on the *Waste-Book*, in the following Manner.

The

Of BOOK-KEEPING.

<i>The Form of a MEMORIAL, or WASTE-BOOK.</i>			
<i>Thursday, 10 April, 1748.</i>			
Sold and delivered to <i>John Brown</i> of <i>Cornhill</i> , this Day, 60 Pieces of <i>Stuffs</i> , for which he hath paid me <i>ready Money</i>			105

Upon this Book, you may observe *four* Lines are drawn through the Length of it; *three* of which, namely, those on the *Right Hand* Side of the Leaf, are put to serve for *Columns*, in which the *Pounds*, *Shillings*, and *Pence* relating to the Article transacted, is to be set; and the other Column at the *Left Hand*, and in the *Margin*, serves for the putting a *Mark* therein, to signify that the said Article hath been posted from thence into the *Journal*. A *Mark* which, as you may see above, is made thus /.

In the *JOURNAL*, the Transactions which may have been entered upon the *Waste-Book*, ought to be once more transcribed, though in a quite different Style, that is to say, by way of *DEBTOR* and *CREDITOR*. The Method of which, I shall shew by the following *Example*: An *Example* that relates to the Article already spoken of.

<i>The Form of the JOURNAL. London, 1748.</i>			
1 — 2	<i>Account of Cash</i> DR. to <i>Account of Woollen Goods</i> , £105. 0. 0. the 10th April, per so much received of <i>John Brown</i> for 60 Pieces of <i>Stuffs</i> sold and de- livered him for <i>ready Money</i> — — — —		
			105

Upon

The Form of the LEIDGER.

<i>Account of Cash.</i>				DR.
1748 April 10	To <i>Account of Woollen Goods</i> , per received of <i>John Brown</i> for 60 Pieces of <i>Stuffs</i> sold him this Day —			105

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upon the whole - I've tried, which I think bears witness to my sincerity, upon the general principle, without writing a thing, and I will not say that I have not been disappointed, but I have been disappointed in such a manner as I have often spoken of. I have not always been able to become of any of his letters, which had been many times in the City; & I there in the instance above spoken of, he finds that his days of study are to be found in space among the rest of his life.

Ac-

OF BOOK-KEEPING.

7

Per Contra.

CR. 2

1748	April 10	By Account of Cash, per received of John Brown for 60 Pieces Stuffs sold him this Day — — —	1	105
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indeed, *as much*; it serving only to disburthen the Memory of *Transactions*, which, though they are set down thereon just for the *present*, and in *haste*, ought to have no more Regard paid them after they have been *transcribed* into the JOURNAL (a Word signifying a *Diary*, or *Day-Book*, and so called, because the Transactions of *every Day* ought to be *daily* entered thereon in a proper manner) than if they had been wrote on *Waste Bits of Paper*, instead of a *Book*.

Thence it appears also, that the LEIDGER is nothing but a Transcript from the JOURNAL: All Transactions in Trade being stated on this *latter* Book, just in the manner as they ought to be brought on that *first mentioned*, whether it be on the Side of the DEBTOR, or of the CREDITOR; and consequently, the chief Difficulty in keeping Books after the *Italian Method* consists in stating the Articles rightly upon the JOURNAL.

Now in order to overcome this Difficulty, six Things ought to be attended to, as follows;

First, the DEBTOR of any Article that is to be entered thereon.

Secondly, the CREDITOR belonging to the same.

Thirdly, the SUM OF MONEY relating to it.

Fourthly, the Time in which the Affair was transacted.

Fifthly, the QUANTITY, and the QUALITY of the Goods or Effects in question.

Sixthly, the CONDITIONS of the AGREEMENT made in that respect.

As for *Example*, suppose that I sold and delivered to John Brown Sixty Pieces of Stuffs, for which he paid me down in *ready Money*, *One Hundred and Five Pounds*, agreeably to what hath been already set forth above. In this Case, *Cash* is the DEBTOR; *Account of Woollens* is the CREDITOR; the SUM OF MONEY is *One Hundred and Five Pounds*; the TIME is the *10th of April, 1748*; the QUANTITY OF GOODS is *Sixty Pieces*; the QUALITY is *Stuffs*; and the CONDITIONS OF AGREEMENT are *ready Money*.

From hence it appears, that if a Person who takes upon him to keep Books, doth but take due Notice of the *Kinds*, or *Sorts* of Goods or Effects, which come *into*, and *go out* of a *Merchant's* Custody and Possession, and of the *Persons* who are interested in them, together with the Nature of that Interest, in respect of all the Articles which come to be entered upon the *Journal*, every Difficulty relating to their Entry will soon be conquered by Practice.

Here

OF BOOK-KEEPING

Here follows a Specimen of the WASTE-BOOK exemplifying the Cases mentioned on Pages 1 and 2.

Saturday, 25 August, 1750.			
//	Borrowed and received of <i>James Johnson</i> to be repaid him with Interest at 5 per Cent. per Ann.	— — —	100
//	Bought and received of <i>Henry Walker</i> 60 Pieces Woollen Stuffs, and paid him in ready Money	— —	100
Monday, 27 ditto.			
//	Sold and delivered to <i>John Brown</i> 60 Pieces Woollen Stuffs, and received ready Money for them	— —	105
//	Paid to <i>James Johnson</i> , and he refuseth any Interest for it	— — — — —	100
//	I have gained on a Parcel of Woollen Stuffs sold <i>J. Brown</i>		5

There are two Marks in the Margin of the Waste-Book; one of which made thus /, signifies that the Article is posted into the Journal; and the other, put to make it double, that it hath been examined; both to be set down, the one as soon as posted, and the other as soon as examined.

Here follows a Specimen of the LEIDGER, exemplifying the

1750	Cash.	DR.		
Aug. 25	To <i>James Johnson</i> per 10 much borrowed and received of him, to be paid in 1 M. with Interest, at 5 per Ct. per Ann.	— — —	.I.	100
	To Woollens per so much received of <i>J. Brown</i> for 60 Ps. Stuffs sold and delivered him	— — —	.I.	105
<i>James Johnson.</i>				
1750		DR.		
Aug. 27	To Cash per so much paid him in full	— — —	.I.	100

Here

Of BOOK-KEEPING.

9

Here follows a Specimen of the JOURNAL, exemplifying the Cases on the WASTE-BOOK aforesaid. *London, Anno 1750.*

.1.	Cash Dr. to James Johnson £ 100. 0. 0. the 25th Aug.			
.2.	per so much borrowed and received of him, to be repaid in 1 M. with Interest, at 5 per Cent. per Ann.	—	—	100
.3.	Woollens Dr. to Cash. £ 100. 0. 0. the 25 Aug. per			
.1.	so much paid H. Walker for 60 Ps. Stuffs bought and received of him	—	—	100
.1.	Cash Dr. to Woollens £ 105. 0. 0. the 27 Aug. per so			
.3.	much received of J. Brown for 60 Ps. Stuffs sold and delivered him	—	—	105
.2.	James Johnson Dr. to Cash £ 100. 0. 0. the 27 Aug.			
.1.	per so much paid him in full	—	—	100
.3.	Woollens Dr. to Profit and Loss £ 5. 0. 0. the 27 Aug.			
.4.	per so much gained on a Parcel of Stuffs sold J. Brown	—	—	5
.1.	Profit and Loss Dr. to Stock £ 5. 0. 0. 27 Aug. per			
.4.	so much added to my Capital by Gains on a Parcel of Stuffs sold J. Brown	—	—	5
.6.	Ballance Dr. to Cash £ 5. 0. 0. the 27 Aug. per so			
.1.	much remaining in hand	—	—	5
.5.	Stock Dr. to Ballance £ 5. 0. 0. the 27 Aug. per so			
.6.	much added to my Capital	—	—	5

Cases on the WASTE-BOOK and JOURNAL aforesaid.

1750	Per Contra.	CR.		
Aug. 25	By Woollens per so much paid H. Walker for 60 Ps. Stuffs bought and received of him	—	.1.	100
27	By James Johnson per so much paid him in full	—	.1.	100
	By Ballance per so much remaining in hand	—	.1.	5
				105

1750	Per Contra.	CR.		
Aug. 25	By Cash per so much borrowed and received of him to be repaid in 1 M. with Interest, at 5 per Ct. per Ann.	—	.1.	100

D

Here

The Two Points to each Folio of the Leidger set on the Journal, one on each Side, signifies, that on the Left, that the Article hath been examined with the Waste-Book; and that on the Right, with the Leidger: Both to be put at the Time of the Examination.

Here continues the Specimen

Woollens.		Dr.	
1750 Aug. 25	To Cash per so much paid <i>H. Walker</i> for 60 Ps. Stuffs bought and received of him — — —	.I.	100
27	To Profit and Loss per so much gained on a Parcel sold <i>J. Brown</i> — — —	.I.	5
			<u>105</u>
Profit and Loss.		Dr.	
1750 Aug. 27	To Stock per so much added to my Capital gained on a Parcel of Stuffs sold <i>J. Brown</i> — — —	.I.	5
Stock or Capital.		Dr.	
1750 Aug. 27	To Ballance per so much added to my Capital — — —	.I.	5
Ballance.		Dr.	
1750 Aug. 27	To Cash per so much remaining in hand — — —	.I.	5

N. B. There are two Points set to each Folio of the Journal, as it stands on the Leidger, one on each side of them; one of which is put to denote, that each Article hath been examined with the Journal; and the other, that it hath been compared with the Per Contra Article, placed to some other Account of the Leidger, in consequence of the Affair having been conducted by double Parties; both to be put at the Time of either examining or comparing it.

of

Of BOOK-KEEPING.

II

of the LEIDGER aforesaid.

R.

Per Contra.		CR. 3		
1750 Aug. 27	By Cash per so much received of <i>J. Brown</i> for 60 Ps. Stuffs sold and delivered him	—	.I. 105	
Per Contra.		CR. 4		
1750 Aug. 27	By Woollens per so much gained on a Parcel sold <i>J. Brown</i>	—	.I. 5	
Per Contra.		CR. 5		
1750 Aug. 27	By Profit and Loss per so much added to my Capital gained on a Parcel of Stuffs sold <i>J. Brown</i>	—	.I. 5	
Per Contra.		CR. 6		
1750 Aug. 27	By Stock per so much added to my Capital	—	.I. 5	

From

From what I have been saying it appears, that the Rules for Book-keeping, (as I asserted) may be learned in a few Minutes, and retained afterwards without burthening the Memory, as they are only these six, *viz.*

1st, Every Article transacted in Trade, when it comes to be entered on the Journal, must have a Debtor, or be made Dr. to some other certain Account or Accounts.

2dly, Every Article aforesaid must have a Creditor also, or be made Cr. to some other certain Account or Accounts.

3dly, The Sum of Money belonging to every Article transacted must be set down next in course.

4thly, The Time when the Affair was transacted follows.

5thly, The Quality and Quantity of the Goods or Effects to which the Transaction relates, comes next to be taken Notice of and set down, if any. And,

6thly, The Conditions of the Agreement made in that respect completes the whole; for sometimes it happens that the Case doth not admit of it.

And in order to find the proper Dr. and Cr. of every Article transacted, it needs only to be remembered, that whatever comes into a Person's Custody must be made Dr. and whatever goes out of it must be made Cr. All which having been illustrated by Examples, set forth in the Specimens of the Waste-Book, Journal, and Ledger just treated of; and it appearing plainly also, that it requireth but little Time to transcribe them properly, I have only to proceed to take notice of another Method used in stating Articles on the Journal, whenever it happens that more than one Transaction belonging to one and the same Account, hath taken place in one and the same Day; of which I shall give the following Examples, *viz.*

A Specimen of the Waste-Book, when more than one Transaction belonging to the same Account hath taken place in one and the same Day.

Tuesday, 28 Aug. 1750			
✓ I have bought and received of <i>John Strang</i> 100 Ps. Stuffs, <i>Woollens</i> , for which I am to pay in 1 M. amount to as per Bill of Parcels	—	—	200
✓ I have bought and received of <i>James Long</i> 200 Ps. Long Ells, <i>Woollens</i> , for which I am to pay in 3 Ms. amount to as per Bill of Parcels	—	—	300
Thursday, 30 ditto.			
✓ I have sold to <i>Robt. White</i> 50 Ps. Stuffs, for which he is to pay me in 2 Ms.	—	—	106
✓ I have sold to <i>John Thomas</i> 100 Ps. Lo. Ells, for which he is to pay me in 4 Ms.	—	—	148

In such Instances as these, either *sundry Accounts* must be made Dr. to some certain Account or other; or some certain Account or other must be made Dr. to sundry Accounts, as I shall exemplify on the following Specimen of a Journal, *viz.*

Of BOOK-KEEPING.

13

A Specimen of the Journal in the Cafes aforefaid. London, Anno 1750.

1	Woollens Dr. to fundry Accounts £ 500. 0. 0 the 28 Aug.				1
	per 300 Ps. bought and received, as under, viz.				
2	To John Strang per 100 Ps. Stuffs, to pay in 1 M. — £. 200.				
3	To James Long per 200 Ps. Long Ells ditto in 3 Ms. — 300.	500			
	300 Ps.				
	Sundry Accounts Dr. to Woollens £ 354. 0. 0. the 30 Aug. as under, viz.				
4	Robert White per 50 Ps. Stuffs sold him, to pay in 2 Ms. £ 106.				
5	John Thomas per 100 Ps. Lo. Ells ditto, in 4 Ms. — 148.	254			
1	150 Ps.				

A Specimen of the Leidger in the Cafes aforefaid.

Woollens.		DR.	
1750 Aug. 28	To fundry Accounts per 300 Ps. bought and received as per Waste-Book — — —	1	500
Per Contra.		Cr.	
1750 Aug. 30	By Robt. White per 50 Ps. Stuffs sold him, to pay in 2 Ms. £ 106. By John Thomas per 100 Ps. Lo. Ells ditto, to pay in 4 Ms. 148.	1	254

Note, The Per Contra Side of the Account of Woollens is set down here under the Dr. Side of it, for Conveniency of Printing, instead of standing opposite to it, as it ought to have done: A Liberty which will be taken for the future occasionally.

1750 Aug. 28	John Strang.	CR.			2
	By Woollens per 100 Ps. Stuffs bought of him, to pay in 1 M. — — —	1	200		
1750 Aug. 28	James Long.	CR.			3
	By Woollens per 200 Ps. Lo. Ells bought of him, to pay in 3 Ms. — — —	1	300		
1750 Aug. 30	Robert White.	DR.			4
	To Woollens per 50 Ps. Stuffs sold him, to pay in 2 Ms. — — —	1	106		
1750 Aug. 30	John Thomas.	DR.			5
	To Woollens per 100 Ps. Lo. Ells sold him, to pay in 4 Ms. — — —	1	148		

Note here, That the Folio of the Dr. is still continued to be put uppermost on the Journal, and that of the Cr. undermost, according to the former Directions, tho' there be some Difference in the manner of doing it here from the former Specimen of the Journal; which Method must be observed: There is likewise a little Difference, as well in stating on the Journal, as in posting on the Leidger, the Dr. and Cr. Side of Account of Woollens; either of which may be used indiscriminately; tho' I prefer the latter, because it appears upon the Leidger at the first View, without turning to the Journal for a fuller Examination.

All Merchants keep their Books in the current Coin of the Country in which they are resident, set down in the Lines or Columns, which I observed above, are destined for it. But in case a Merchant sends Merchandizes into foreign Countries to be sold for his Account, then the Account relating to the Sale of the said Goods, must be kept upon his Books in the current Coin of those Countries in which they are sold, setting down the Sums of foreign Coin relating to the Affair in Lines or Columns drawn for that Purpose, close adjoining to the Lines or the Column which I mentioned above, to be designed to put the Folios of the Journal in, but more to the Left-hand than they. And at the same Time he must keep the said Account also, in the Coin of his own Country in which the said Goods, even though bought in a foreign Country, must have been paid for; and in which the neat Proceeds of them must have been remitted after their Sale, though the Remisse was purchased with foreign Specie. The Amount of which Coin, namely, that of his own Country, must be set down in the Lines or Columns first spoken of, that by means of the one, the Sums of Money may appear, which the Person who sold the Goods may have remitted short of their neat Proceeds; and that by means of the other, the Person whose Property they are, may see whether he either gained or lost by the Adventure.

As for Example; suppose that I *John James*, consigned *Hans Van Daelen* Merchant, in *Rotterdam*, sixty Pieces of *Stuffs*, which cost, all Charges on board, *One Hundred and Five Pounds Sterling*, to be sold for my Account; that the neat Proceeds of them when sold amount to *Twelve Hundred Guilders*; and that he remits me the said Sum, *Exchange*, at 36—4, making *One Hundred and Ten Pounds, One Shilling and Tenpence Sterling*. In this Case the Account relating to this Transaction will stand on my Waste-Book, Journal and Leidger as follows, viz.

A Specimen of the LEIDGER, when a Merchant
Mercha. consigned *Hans Van Daelen* of *Rotterdam* for my Account. DR.

1750					
April 10	To Woollens per 1 Bale Vn°. 1. qt. 60 Ps. Stuffs con-				
	signed him per Capt. Hall	1	105		
Sept. 10	To Profit and Loss per gained on this Adventure	1	5	1	10
			110	1	10

Woollens.

DR.

Note, The Per Contra Woollens are supposed to have been in Hand, bought some time before sent abroad.

The

Of BOOK-KEEPING.

15

The Waste-Book—Monday, 10 April, 1750.

I have consigned 1 Bale Vn°. 1. qt. 60 Ps. Stuffs to Hans Van Daelen, of Rotterdam, per Capt. Hall, to be sold for my Account, and Risque amount to first Cost

105

Tuesday, 10 June.

Hans Van Daelen writes me by Letter, dated the 7th Inst. that he hath sold my Bale Vn°. 1. qt. 60 Ps. Stuffs as per Account Sales amount to 1200. Guilders, to pay in 3 Ms. remitted me afterwards at 36—4, making

110 110

Wednesday, 10 Sept.

Hans Van Daelen hath remitted me a Bill of Exchange on H. Pot, dated 7 Sept. at 2 Ufos for 1200 Guilders, at 36—4, amounts to

110 110

I have gained by the Adventure consigned Hans Van Daelen for my Account

5 110

The Journal—London, Anno 1750.

1 Mercha. consigned Hans Van Daelen for my Account Dr.
2 to Woollens £ 105. 0. 0. the 10 April per Vn°. 1. qt. 60 Ps. Stuffs consigned him per Capt Hall, to sell for my Account, &c.

105

3 Hans Van Daelen my Account Dr. to Mercha. consigned
1 Hans Van Daelen £ 110. 1. 10. the 10 June, per the neat Proceeds of 1 Bale Vn°. 1. qt. 60 Ps. Stuffs sent him per Capt. Hall, amount to 1200 Guilders remitted afterwards, at 36—4, making

110 110

4 Bills of Exchange Dr. to Hans Van Daelen my Account
3 110. 1. 10. the 10 Sept. per Remisse on H. Pot, dated 7 Sept. at 2 Ufos for 1200 Guilders, at 36—4, amount to

110 110

1 Mercha. consigned Hans Van Daelen for my Account Dr.
5 to profit and Loss £ 5. 1. 10. the 10th Sept. per so much gained by the Adventure consigned him

5 110

sends Goods abroad to be sold for his Account.

1750	Per Contra.	CR.	Guilders.				1
June 10	By Hans Van Daelen my Account per the neat Proceeds of 1 Bale Vn°. 1. qt. 60 Ps. Stuffs sent him per Capt. Hall, amount to		1200. 0. 0.	1	110	110	

1750	Per Contra.	CR.					2
April 10	By Mercha. consigned Hans Van Daelen for my Account, per 1 Bale Vn°. 1. qt. 60 Ps. Stuffs per Capt. Hall			1	105		

The

The LEIDGER continued.

<i>Hans Van Daelen of Rotterdam my Account.</i>		DR.			
1750		Guilders.			
June 10	To Mercha. consigned <i>Hans Van Daelen</i> per the neat Proceeds of 1 Bale Vn°. 1. qt. 60 Ps Stuffs sent him per <i>Capt. Hall</i> , amount to — — —	1200. 0. 0.	1	110	110
Bills of Exchange remitted me.		DR.			
1750					
Sept. 10	To <i>Hans Van Daelen</i> my Account, per Remisse on <i>H.</i> <i>Pot</i> , dated 7 Sept. for 1200 Guilders, at 36—4, amount to — — —		1	110	110
Profit and Loss.		DR.			

By this Method, the Proprietor of the Goods sent abroad for Sales can see, at one View, the prime Cost of what he adventures; which, in the Instance just given, is *One Hundred and Five Pounds*; their neat Produce in *Holland*, namely, 1200 *Guilders*; the Sum in Sterling Money which those *Guilders* made, namely, *One Hundred and Ten Pounds One Shilling and Tenpence*; and lastly, the Profit which accrued by this Transaction, namely, *Five Pounds, One Shilling and Tenpence*.

But here it must be noted, that in the Cases of which I have been just treating, the Articles of the *Sterling* Money must necessarily be left blank on the Waste-Book, Journal, and Leidger, till it be known how much the *Foreign* Money, relating thereto, produced; and then it must be filled up after a Medium, if it hath been remitted in different Rates of *Exchange*.

The

OF BOOK-KEEPING.

17

The LEIDGER continued.

Per Contra.		CR.			3
1750 Sept. 10	By Bills of Exchange per Remiffe on H. Pot, dated 7 Sept. at 36—4	Guilders.	1200. 0. 0.	1	110 1 10
Per Contra.		CR.			4
Per Contra.		CR.			5
1750 Sept. 10	By Mercha. configned <i>Hans Van Daelen</i> , per so much gained by that Adventure		1	5	110

Having thus shewn how a Merchant's Accounts stand on his Waste-Book; Journal, and Leidger, who sends Merchandize abroad to be sold for his Account; I shall now fet to View how his Factor's Account must stand on his Leidger also, supposing that *Hans Van Daelen* above mentioned is the Correspondent to whom the Goods were configned for Sale; and *John James*, Merchant in *London*, was the Proprietor who sent them abroad for that Purpose.

The Forms of Accounts as they stand upon the Leidger of a Merchant or Factor
 Merch^a. received from *John James* of *London* to sell for his Acc^t. DR.

1750		Dutch.
June 10	To Cash per paid for Freight, &c. of 1 Bale Vn ^o . 1. qt. 60 Ps. Stuffs per Capt. Hall	74
Sept. 10	To Pro. and Loss per my Commission on 1300 Guilders, at 2 per Ct.	26
	To <i>John James</i> his Account per the neat Proceeds of said Goods sold for	1200
		1300

John James of *London* his Account. DR.

1748		Dutch.
Sept. 7	To Cash per paid <i>J. Vos</i> for his Bill on <i>H. Pot</i> , dated this Day for £110. 1. 10. Sterling, at 36--4, making	1200

By this Method also, the Factor by whom any Goods are received for Sale, can see at one View the Disbursements which he hath laid out on Account thereof, which, in the Instance just given, amount to *seventy-four Guilders*; the Name of the Person to whom they were sold, namely, *J. De Wael*; the Sum of Money which he is to receive for them, namely, *thirteen hundred Guilders*; and the Manner of his remitting it, namely, by his Bill of Exchange on *H. Pot*.

Here we may likewise observe again, the Connection which subsists between the Books of a Merchant and those of his Correspondent (a Connection of which I have already spoken.) For Mercha. consigned to *Hans Van Daelen*, will, by comparing Things together, be found to agree with Mercha. received from *J. James*; and *Hans Van Daelen* my Account, with *John James* his Account, as these Accounts stand on their respective Books. Agreeably hereto, the

The Form of Accounts as they stand on the Leidger of a Merch^t. who sends Goods abroad
 Mercha. consigned *Hans Van Daelen* on our joint Acc^t. half each. DR.

1750		
April 10	To Woollens per prime Cost of and Charges on 1 Bale Vn ^o . 1. qt. 60 Ps. Stuffs per Capt. Hall	105
June 10	To Profit and Loss per gained by this Adventure for my half Share	2 11
		107 11

1750	<i>Hans Van Daelen</i> his Account. DR.	
April 10	To Woollen Goods per his half of the Bale Vn ^o . 1. sent by Capt. Hall for our joint Account	52 10
	To Profit and Loss per my Commission thereon	1 1
		53 11

Of BOOK-KEEPING.

19

who receives Goods from abroad, to sell for Account of his Correspondent.

Per Contra.		CR.
1750 June 10	By <i>J. De Wael</i> per 60 Ps. Stuffs sold him, to pay in 3 Ms. amount to ————	<i>Dutch.</i> 1300

Per Contra.		CR.
1750 June 10	By Mercha. received from <i>J. James</i> per the neat Proceeds of 1 Bale Vn°. 1. qt. 60 Ps. Stuffs per Capt. <i>Hall</i> , sold for his Account ————	<i>Dutch.</i> 1200

the *Merchant* or *Factor*, who receives any Goods into his Custody to sell for Account of his Correspondent, must always, after he hath completed the Affair committed to his Care, send an Abstract of his Accounts relating to it, under the Title of *Account Sales* and *Account Current* to the *Proprietor* of them. As on the other hand, *He*, the said *Proprietor*, furnished his *Factor* at his sending away the Goods at first with an Abstract of his Books, by giving him an *Invoice* of them.

If a Merchant sends Goods into a foreign Country, to be sold for the joint Account of the *Correspondent* to whom he sends them and of *himself*, to say *half each*, or a *quarter* Part the one, and *three quarter* Parts the other, or divided into any other Shares whatever between them; in that Case, the Account of the Person who sends the Goods, will stand upon his *Leidger* stated as follows, *viz.*

to his Correspondent, half for his own Acc^t. for Sale, and half for the Acc^t. of his Friend, *viz.*

Per Contra.		CR.
1750 April 10	By <i>Hans Van Daelen</i> his Account per his half of the Bale Vn°. 1. sent by Capt. <i>Hall</i> for our joint Account ————	<i>Dutch.</i> 52 10
June 10	By <i>Hans Van Daelen</i> my Account, per my half of the neat Proceeds of the Bale Vn°. 1. sold by him ———— 600. 0. 0.	55 1 107 11
Per Contra.		CR.
1750 April 15	By Cash per my Draught on him in favour of <i>Ab. Jacobs</i> , dated this Day ————	53 11

OF BOOK-KEEPING.

The Form of the Accounts aforesaid

		<i>Hans Van Daelen my Account.</i>		DR.	
1750					
June 10	To Mercha. consigned <i>Hans Van Daelen</i> per my half of the neat Proceeds of the Bale Vn°. 1. sent by Capt. <i>Hall</i> for our joint Account	<i>Dutch.</i>	600. 0. 0	55	1

In this Instance you may observe, that there are two separate Accounts kept under the Name of *H. Van Daelen*, the Person who is supposed here to have received the Goods in question, distinguished by the different Titles of *his Account* and *my Account*; one of which Accounts, namely, *Hans Van Daelen HIS Account* must be kept on the Books of *John James*, the supposed Adventurer of the Goods, in Sterling Money, because they were bought in, or at least paid for in that Specie, that being the current Coin of the Nation in which the said *James*, the Purchaser of them, was resident, and consequently the Coin in which the said *Van Daelen* was to discharge the Debt, which he had contracted for that Part of the Goods which had been sent him for his Account: And the other of these Accounts, namely, *Hans Van Daelen MY Account* must be kept on the Books of the said *James*, in *Dutch* Money, as well as in *Sterling*: In *Dutch*, because that the whole Parcel of Goods sent by *James* to *Van Daelen*, and consequently that Part of them which went for his own Account, were sold to be paid for in that Specie, that being the current Coin of the Nation, in which the said *Van Daelen*, the Seller of them, was resident: And in *Sterling* also, because tho' *Van Daelen* sold the said Goods in *Dutch* Money, and consequently was to account with *James*, in that Specie for the neat Proceeds of his Part of them, yet he must necessarily remit him in *Sterling* for Payment thereof; that being the current Coin of the Nation in which *James* was resident; as mentioned above: For tho' a Bill of Exchange on *London* is bought in *Holland*

The Form of Accounts as they stand on a Merchant's Leidger who receives Goods from Acc^t. of Merch^t. rec^d. from *John James* upon our joint Acc^t. half each. DR.

1750					
April 10	To <i>J. James</i> my Account per my half of 1 Bale Vn°. 1. qt. 60 Ps. Stuffs by Capt. <i>Hall</i>	<i>Sterling.</i>	53. 11. 0	<i>Dutch.</i>	583 13 8
May 2	To Cash per paid Capt. <i>Hall</i> for Freight, &c. of ditto	—	—	74	
	To Pro. and Loss per my Commission on <i>J. James's</i> half of 1300 Guilders, at 2 per Ct.	—	—	13	
	To <i>John James</i> his Account per his half of the neat Proceeds hereof	—	—	600	
	To Pro. and Loss per gained by this Adventure	—	—	1270 13 8	
				29 6 8	
				1300 0 0	

John James of London my Account.

DR.

1750					
June 15	To Cash per paid his Draught in favour of <i>Ab. Jacobs</i> , dated 10 April, at 36—4	<i>Sterling.</i>	53. 11. 0	<i>Dutch.</i>	583 13 8

on

Of BOOK-KEEPING.

21

on the LEIDGER continued.

Per Contra.		CR.			
1750 Sept. 10	By Bills of Exchange per Remisse on T. Jones for £55. 1. 0. Ster. at 36—4. dated the 7th Inst. at 2 Ufo	Dutch.			
		500. 0. 0	55	1	

Holland with Dutch Money, yet it must be paid in Sterling when due; all Payments in England being made in Sterling Money, and abroad in the current Specie of the Country in which they are made.

On the other hand, *Hans Van Daelen* of Rotterdam, must also keep two separate Accounts on his Books, under the Name of *John James*, the Person who purchased and sent the Goods in question abroad, distinguished by the different Titles of *John James MY Account*, and *John James HIS Account*; one of which Accounts, namely, *John James MY Account*, will be found to have an exact Harmony and Connexion with *Hans Van Daelen HIS Account*, as stated above on *James's Books*, and must be kept on said *Van Daelen's Books* in Sterling Money, because the Goods aforementioned, one half of which were sent for the said *Van Daelen's Account*, were bought and charged him by *James* in that Specie, and consequently are to be paid for in the same, as hath been already observed: And the other of the Accounts, namely, *John James HIS Account*, will be likewise found to have an exact Harmony and Connexion with *Hans Van Daelen MY Account*, as stated above on *James's Books*; and must be kept on the said *Van Daelen's Books* in Dutch Money, because all the Goods in question were sold by him in that Specie, and consequently one half of them being for Account of the said *James*, the neat Proceeds thereof must be accounted for with him in that Coin: All which is set forth by the following Example.

his Correspondent; half for his own Account, and half for Account of his Friend for Sale.

Per Contra.		CR.			
1750 May 10	By J. De Waal per 60 Ps. Stuffs sold him, to pay in 3 Ms. —	Dutch.			
		1300			

Per Contra.		CR.			
1750 April 10	By Mercha. received from J. James per my half of 1 Bale Vn°. 1. qt. 60 Ps. Stuffs sent for our joint Account	Sterling		Dutch.	
		53. 11. 0	583	13	8

G

John

John James of London HIS Account.

DR.

1750 Sept. 10		Dutch.
	To Cash — per paid J. Vos for his Bill on T. Jones, dated this Day for £55. 1. 0. Sterling a 36 4 d. remitted him — — — — —	600

By these Forms it appears, agreeably to what hath been said heretofore, that as *Hans Van Daelen* HIS Account, stands DR. on *John James* his Books Fifty Three Pounds, Eleven Shillings, for the half of Sixty Pieces of Stuffs, sent for Account of the said *Van Daelen* and himself; so *John James* MY Account, stands CR. on *Hans Van Daelen's* Books, Fifty Three Pounds, Eleven Shillings, for his said half of those Sixty Pieces received from the said *James* as aforesaid. And on the other hand, as *Hans Van Daelen* MY Account, stands DR. on *John James* his Books for Six Hundred Guilders for the neat Proceeds of his half of Sixty Pieces of Stuffs sold by him, for the said *James's* Account; so *John James* HIS Account, stands CR. on *Hans Van Daelen's* Books Six Hundred Guilders, for the neat Proceeds aforesaid. And further, as *Merch^a. consigned to Hans Van Daelen* stands DR. One Hundred and Five Pounds, for the Cost of Sixty Pieces on *James's* Books; so *Merch^a. received from John James on Van Daelen's* Books stands CR. Thirteen Hundred Guilders for what the said Sixty Pieces sold for.

Now the manner of making out the neat Proceeds of the Sixty Pieces sold as abovementioned, by means of the Accounts relating thereto, and of settling the Ballances of them, is done as follows. The whole Amount of the said Goods, as sold *J. de Wael*, appears to be Thirteen Hundred Guilders, out of which deduct the Money paid for Freight, which is Seventy Four Guilders, and the Commission for selling them Twenty Six Guilders, being in all One Hundred Guilders, and deducted from the said Thirteen Hundred Guilders, leaves Twelve Hundred for the neat Proceeds: Half of which neat Proceeds belonging to *John James*, being Six Hundred Guilders, is placed to Account in Conformity. On the other hand, *Hans Van Daelen's* half of the said Goods appears to have cost him £53. 11. Sterling, for which he paid Five Hundred Eighty Three Guilders, Thirteen Stivers and Eight Pennings, the Bill which *John James* drew on him to *Ab. Jacobs* having stood him in that Money; to which Sum Seventy Four Guilders paid for Freight; Thirteen Guilders charged for Commission on *John James's* Part of the Goods sold *De Wael*: and Six Hundred Guilders for the

Per Contra.

CR. 12

		Dutch.	
1748			
June 10	By Account of Merch ^a . received from John James per his half of the neat Proceeds of 1 Bale Vn ^o 1. qt. 60 Pieces per Capt. Hall	600	0

the neat Proceeds of the same being added, the whole Sum amounts to *Twelve Hundred and Seventy Guilders, Thirteen Stivers and Eight Pennings*, and leaves for *Ballance* of the *Thirteen Hundred Guilders* above-mentioned, *Twenty-nine Guilders, Six Stivers and Eight Pennings*; which *Ballance*, together with the *Thirteen Guilders* charged for Commission for Sale of *James's* half, is what *Hans Van Daelen* gains by this Adventure, being in all *Forty-two Guilders, Six Stivers and Eight Pennings* DUTCH Money, as may be seen by the said *Van Daelen's* Account. And on the other hand, it appears also, that *John James* gained by his half of the Goods, which he sent for Sale *Two Pounds Eleven Shillings*; and *One Pound One Shilling* for his Commission on the other half, sent for *Hans Van Daelen's* Account, being in all *Three Pounds Twelve Shillings* Sterling, as may be seen by the said *James's* Account. Now, as for the Propriety of stiling these Accounts in question, *Hans Van Daelen my Account*, and *Hans Van Daelen his Account*, and *vice versa*, nothing can be more expressive of the State of the Case in question than those *Titles*, as they distinguish so fitly between the Transactions which are carried on, either for a Merchant's own Account, or for those of his *Correspondent*.

I have thus gone thro' with the Theory of Book-keeping, and the Method of reducing it into Practice by stating, posting, examining, and balancing Accounts, taken from those few short and plain Rules aforementioned as I proposed: Rules but little known before my Publication thereof. And as the Method of keeping Account of one and the same Article or Transaction in Trade, in two different Species of Money, namely, *domestic* and *foreign*, so absolutely necessary for conducting Books of Account in certain Cases, is so very much at present in the Dark also, as to be quite unknown to our *British* Schoolmasters, which appears not only from the Tracts which they publish from time to time, but from the Forms by which they instruct their Pupils in their respective Schools, many of which have come to my Perusal; and at the same time but little practised even in Merchant's Counting Houses, as I have been assured by several *Merchants* themselves, as well as *Book-keepers*, hinted at before in my *Preface*, I have taken the more Pains above to set this Matter in the clearest Light possible, and therefore dwelt the longer on the Subject: A Subject which may be still further illustrated, by setting down the Method taught

taught by Mr. *Webster* in his *Essay on Book-keeping*, of journalizing the like Cases, by way of Contrast to what I have said on that Subject, the better to demonstrate the real intrinsic Value of the one, and the Want of Worth in the other; as the superlative Qualities of Diamonds never appear so much to Advantage, as when exhibited to View and compared with false Stones. But here I would not be understood to insinuate, as if it is impossible to keep Books of Account at all after the *Italian* Method, unless one used those very Rules which I have offered to the Public, without any Deviation from them: No, by no Means; there are others that may be laid down for that Purpose, some more prolix, intricate, and, in other respects, less perfect than others; what I have to demonstrate here is, that Mr. *Webster* was quite ignorant of what he pretended to in the main, and upon the whole.

Accordingly

Voyage to <i>Barbadoes</i> *.			DR.		
To <i>sundry Accounts</i> as per <i>Journal</i>	—	—	186	0	0
To <i>Cash</i> paid Premium for £200 Insurance	—	—	10	0	0
To <i>Profit and Loss</i> gained	—	—	54	0	0
			250	0	0

* If he had said Merch^a. consigned to *Peter Careful* for my Account, it would have been a fitter Title for this Account.

Now in stating the Account in this manner, there is not only a great *Error*, but a *Complication of Errors*. For first, Mr. *Webster* supposeth by so doing, that *twenty* Shillings Sterling is no more than *twenty* Shillings of *Barbadoes* Money, which being false, how can he make *Fifty-four* Pounds to be gained by the Adventure? The *Goods of the Adventure* were bought in *Sterling* Money, amounting with the *Premium*, to *One Hundred Ninety-six* Pounds, as appears from the Article as it stands on Mr. *Webster's* Waste-Book, p. 17. And it is no less evident from p. 20. that the *Returns* amounted to *Two Hundred and Fifty* Pounds *Barbadoes*, that being the Sum which it is said, those *Returns* cost there (*Peter Careful's* Charges thereon being added to it) as per the *Invoice*; how then can a *Balance* be made in this Case, unless the *Barbadoes* Money had been first reduced into *Sterling* Money? By so doing the CREDITOR Side of the Account would have consisted of the same *Species* as the DEBTOR, and if that had been done there would have been Money lost by the Adventure, instead of *Fifty-four* Pounds being gained by it.

Besides, in stating the Case as Mr. *Webster* has done, there is not that *Connection* preserved between his own Books, and those of his *Correspondent*, in entering

Accordingly I shall observe in the *first* Place, that he is guilty of a most notorious *Error* in stating a Case of the same Kind, as that which I treated of in Pages 14. and 15. of these Sheets, namely, of a *Merchant* who sends Goods abroad to a *Factor* to be sold for *his* Account. For Mr. *Webster* supposeth Page 17 of his Waste-book, that he, being a Merchant in *England*, consigneth *Peter Careful* of *Barbadoes*, sundry Goods amounting to *One Hundred and Ninety-six Pounds Sterling*, to be sold for *his*, the said *Webster's* Account, ordering at the same time Returns to be made him in *Goods*, the Product of that *Island*; a Transaction which he states in the following Manner, Page 6 of his *Leidger*.

Per Contra.		CR.		
By Voyage from Barbadoes *	for Returns	250	0	0

* If he had said *Merch^a*. consigned to me by *Peter Careful* for my Account, it would have been a fitter Title for that Account also.

tering this *Transaction* to Book, as upon the *Fundamental Principles* of this Kind of Book-keeping ought to have been done, agreeably to what I have set forth in this Treatise.

In order to have stated this Matter right, Mr. *Webster* should, after having at first setting out, made *Voyage to Barbadoes* DEBTOR for the Amount of his Goods adventured, to the proper *Persons* or *Accounts* as it was requisite, have made *Peter Careful my Account* DEBTOR, to the *Voyage aforesaid*, for the *net Proceeds* of the said Adventure in *Barbadoes Money*, as soon as he had received Account Sales thereof, as those Account Sales must have been made out in the *Currency* of that *Island*; because of its being the *Specie* in which the said *Careful* must have transacted all his *Affairs*, and kept his *Books*, in Case the Fact here *supposed* had been *real*: And this Money when it had been reduced by *Webster* into *Sterling*, according to the *Course of Exchange*, would have shewn either the *Profit*, or the *Loss* accruing by the Affair in question.

On the other hand, *Voyage from Barbadoes*, an Account stated by Mr. *Webster*, p. 8. (or, *Merchandise consigned me by Peter Careful for my Account*, which would have been a fitter Title) ought to have been made DEBTOR to *Peter Careful*

Careful my Account for the *Cost* of, and *Charges* on the *Sugars, &c.* sent to *England* in return. And if that had been done, all the *Transactions* relating to this *Affair* would have appeared in a *clear Light*, and at the same time the *Connexion* between *Mr. Webster's Books*, and those of *Peter Careful* would have been *strict* and *regular*. For there would have been shewn by that means, how much the *Goods* which had been adventured to *BARBADOES* cost; how much they *produced* in *BARBADOES* Money; how much *Value* that Sum was *Sterling*; how much was *gained*, or *lost* by it; and how the *Returns* were made. And

Voyage to Barbadoes, or
Merchandise consigned to Peter Careful of Bar- } DR.
badoes for my Account

	Sterling.
To <i>sundry Accounts</i> , per <i>Cost</i> and <i>Charges</i> of a <i>Parcel</i> of <i>Goods</i> per the <i>Swift, Capt. Thompson</i> , amount to as per <i>Invoice Book</i>	186 0 0
To <i>Cash</i> —per paid <i>J. Evans</i> for a <i>Premium</i> for £200. insured thereon	10 0 0
	196 0 0

Peter Careful my Account.

DR.

	Barbadoes.	Sterling.
To <i>Mercha. consigned him for my Account</i> , per the neat <i>Proceeds</i> of these <i>Goods</i>	250 0 0	190 0 0
To <i>Ballance</i> due to him.	8 0 0	6 1 7
	258 0 0	196 1 7

OF BOOK-KEEPING.

27

And on the other hand, *Voyage from England*, or (which is a fitter Title than that) *Mercha, consigned me by William Webster for his Account*, on *Careful's* Books, would have had a Connection with *Voyage to Barbadoes* on *Mr. Webster's* Books, and *William Webster* his Account on *Careful's* Books, would have had the like Connection with *Peter Careful my Account* on the said *Webster's* Books, according to the following Examples, where these Cases are properly stated.

Per Contra.

CR.

	Barbadoes.	Sterling.
By <i>Peter Careful my Account</i> , per the neat Proceeds of these Goods as per Account Sales received — — — —	250	0 0
By <i>Profit and Loss</i> — — — per lost by this Adventure — — — —		6 0 0
		196 0 0

Note, This Calculation is made, supposing £ 100. *Barbadoes* to be £ 76. *Sterling*, which is about the usual Difference in the Value of these Species.

Per Contra.

CR.

	Barbadoes.	Sterling.
By <i>Mercha. consigned me by him</i> , per Cost and Charges of a Parcel of Goods per the <i>Swift</i> , Capt. <i>Thompson</i> , amount to as per Invoice	258	0 0
		196 1 7

Voyage

Voyage from Barbadoes, or
Merch^a. consigned me by Peter Careful of Barbadoes, } DR.
for my Account

	Barbadoes.			Sterling.		
To Peter Careful my Account, per Cost and Charges of a Parcel of Goods, per the Swift, Capt. Thompson, amount to as per Invoice	258	0	0	196	1	7

The above shews the true State of this Case on Mr. Webster's Books ;

Voyage from England, or
Merch^a. consigned me by William Webster for } DR.
his Account

	Barbadoes.		
To Cash ——— per paid for Freight, &c. (suppose we say)	10	0	0
To Profit and Loss ——— per my Commission a 4 per Cent.	10	14	0
To William Webster his Account, per the neat Proceeds of these Goods	250	0	0
	270	14	0

William Webster his Account.

DR.

	Barbadoes.		
To Thomas Swift, per the Cost of a Parcel of Goods consigned him per the Swift, Capt. Thompson, as per Invoice Book amount to	250	0	0
To Profit and Loss per my Commission thereon	8	0	0
	258	0	0

Per Contra.

CR.

the following shews the true State of it, on *Peter Careful's* Books.

Per Contra.

CR.

By *Thomas Swift* * per sold him the Goods of this Ad-
venture

Barbadoes.

270140

* The supposed Name of the Buyer of this Cargo and of the Furnisher of the Mercha. sent to England in return.

Per Contra.

C_R.

By *Mercha.* consigned me by *William Webster*, per the neat
Proceeds of a Parcel of Goods, per the *Swift*, Capt.
Thompson fold *Tho. Swift* — — —

Barbadoes.

250 0 0

By Ballance due to me

8	0	0
---	---	---

258 | 0 | 0

Upon the whole it appears from the above, that *Six Pounds Sterling* were actually lost by the *Voyage to Barbadoes*, instead of *Fifty-four Pounds* having been gained by it, as Mr. *Webster* made it out by his Manner of *Book-keeping*.
 — Now as his Method of conducting Affairs appears to be so very faulty, it may

The Manner of Mr. *Webster's* having conducted the Accounts of *Leidger*, as they

Voyage to Barbadoes.

DR.

To <i>fundry Accounts</i> as per Journal	—	—	186	0	0
To <i>Cash</i> paid <i>Premium</i> for £200 Insurance	—	—	10	0	0
To <i>Profit and Loss</i> gain'd	—	—	54	0	0
			250	0	0

Voyage from Barbadoes.

DR.

To <i>fundry Accounts</i> as per Journal	—	—	258	0	0
--	---	---	-----	---	---

may not be amiss to *transcribe* and *subjoin* here, his manner of stating the Cases above-mentioned, in order to satisfy any of my *Readers*, who may not have an Opportunity of seeing his *Essay*, that I have not *misrepresented* the Matter.

Voyage to Barbadoes, and Voyage from Barbadoes, taken from his stand Folio 6 and 8.

Per Contra.		CR.		
By Voyage from <i>Barbadoes</i> for Returns	—	250	0	0

Per Contra.		CR.		
<p><i>Note</i>, The Articles which Mr. <i>Webster</i> sets down in his <i>Leidger</i> upon this Account, relating to the Arrival of these Goods in <i>England</i>, and their Sales, are not here taken Notice of, as being out of the question in hand.</p>				

Peter Careful his Account Current.

DR.

To Ballance due to him

8 0 0

Now let the Reader compare this Method of Mr. *Webster's*, with the manner in which I have stated the same Cases above, and judge between us.

Mr. *Webster* hath made some other egregious *Mistakes*, in stating the Accounts relating to the *Returns*, supposed to have been made him by *Peter Careful*, for the neat *Proceeds* of his Adventure; *Returns* which are said to consist of *Sugar* and *Tamarinds*, amounting to *Two Hundred and Fifty Pounds* the first *Cost*, which Sum, with *Eight Pounds* due to the said *Careful* for Charges thereon, makes in all *Two Hundred and Fifty-eight Pounds*. For, he not only supposeth that the Money of *Barbadoes* wherewith the said *Sugar*, &c. was bought, and which he disbursed for Charges thereon, to be of equal Value to *Sterling*, as he had done in the Case before spoken of, but he makes *Peter Careful* HIS ACCOUNT, CREDITOR for the said Charges, though it is very plain that the Dealings between *Webster* and *Careful*, were not carried on for *Careful's* Account, but *Webster's*; and consequently, if that Article ought to have been entered on *Webster's* Book, *Peter Careful* MY ACCOUNT, should have been made CREDITOR for it. But no such Article as that ought to have appeared on Mr. *Webster's* Books at all, and he ought to have known that the Amount of all Disbursements on any Merchandise, which are at any time sent by a *Factor* for Account of a *Merchant*, are to be included in one and the same Article with the first *Cost* thereof, when he comes to make his said *Factor* CREDITOR for them upon his Books, in Conformity with the *Invoice*, with which he had been furnished. Consequently, in the Case of which I am speaking, *Voyage from Barbadoes* ought to have been made DEBTOR to *Peter Careful my Account*, *Two Hundred and Fifty-eight Pounds*, for *Cost of* and *Charges on* the *Sugars* and *Tamarinds*, supposing that *Sterling* and *Barbadoes* Money was of equal Value, as Mr. *Webster* doth; and

Per Contra.		CR.	
By Voyage from Barbadoes for Charges	—	8	0 0

and by so doing, *Eight Pounds* would have remained due to the said *Careful* for Ballance of Account, in regard to the Affair which had been negotiated as afore-said, not for *Peter Careful* HIS ACCOUNT, as Mr. *Webster* hath erroneously stated it; but for MY ACCOUNT: *i. e.* for Account of the *Merchant* to whom the Effects belong, supposed here to be the said *Webster*. A Circumstance which I have specified in the Examples above-mentioned.

In the Instances just spoken of, Mr. *Webster* is deficient in not having formed Accounts enough, but in another Case, he gives Rules for forming such as are *superfluous, irregular, and absurd*: As for Example.

He supposeth P. 9. of his *Leidger*, that *F. Van Tromp* hath sent him some *Hollands and Laces*, to sell for his Account; and in that Case raises two Accounts for him, namely, *F. Van Tromp's Account Current*, and *F. Van Tromp's Account of Time*: Whereas the whole Transaction should have been put on one Account only, under neither of these Titles, but of *F. Van Tromp DR. Per Contra CR.* And then Matters would have appeared in a very clear and simple Light; whereas what he has done is not only *superfluous*, but intricate, perplex'd, and unintelligible.

This Case I shall state properly on the next Leaves, in order to make out what I have advanced on that Head, and proceed here to take notice of another Case, of somewhat the like Nature, executed after the same manner, which stands on P. 11, where he sets down *Cousin Kind's Account Current*, and *Cousin Kind's Account in C°*: whereas he should not have made two Accounts on that Occasion, but one only, namely, *Cousin Kind DR. Per Contra CR.* This Case I shall state on the next Leaves also. After the same manner he states some other Accounts likewise, particularly P. 12, 13, equally absurd and irregular; but they being of the very same Nature, as those of *Cousin Kind*, they don't require any particular Illustration.

K

MERCH^r

MERCH^r. received from F. VAN TROMP for his Account. DR.

1752 Sept. 12	To Cash per paid for Charges on Lace and Linen consigned me	108	0	0
23	To Pro. and Loss per my Commission on £1498. o. o. at 2½ per Ct.	37	9	0
	To F. Van Tromp HIS Account per the neat Proceeds of this Adventure	1352	11	0
		1498	0	0

FRANCIS VAN TROMP his Account. DR.

1752 Oct. 1.	To Bills of Exchange drawn on me per his Bill to J. Emerson, accepted at 10 Ds. Sight	52	10	0
Nov. 1.	To sundry Accounts per 3 Bales Bays sent him per the Sailwell by his Orders	171	0	7½
	To Ballance per £429. 5. 4½ in my Hands, and £700. o. o. in the Hands of E. Johnson, to be paid 18 Dec.	223	10	7½
		1129	5	4½
		1352	16	0

Ship BONAVENTURE in C^o. with Cousin KIND. DR.

1752 Nov. 20	To the Owners per the first Cost of that Ship, to be paid in 6 Ds.	700	0	
Dec. 3	To Cash - - - per paid my Share of the Repairs	18	5	
		718	5	

Cousin KIND. DR.

1752 Nov. 20	To the Ship Bonaventure per his half of the first Cost of said Ship, to pay in 6 Ds.	350		
	To Cash - - - per paid his Share of the Repairs thereof	18	5	

The abovementioned Accounts stand stated on Mr. Webster's Ledger, under the Titles of, *Goods for Account of F. Van Tromp*, *Van Tromp's Account Current*, and *Van Tromp's Account of Time: Ship Bonad. in Co. with Cousin Kind*, *Kind's Account Current*, and *Kind's Account in Co.* on Pages 9, 10, 11, to which I refer any of my Readers, who may think fit to compare them, with what I have here said on that Subject.

Thus have I set forth in a true Light, the principal *Errors*, *Defects*, and *Superfluities* which appear in Mr. Webster's Essay on Book-keeping, that has, notwithstanding, undergone no less than *twelve* numerous Impressions; which can be owing to nothing, but to that Art's being so very little understood among us; for had it been well known, it is scarce possible that so ill executed a Performance, could have met with any Countenance at all.

I shall forbear entering into Particulars, as to the Tracts of other Writers upon the Subject, the *Public* having always, as I observed in my *Preface*, given the Preference to that of Mr. Webster, ever since its first Appearance. And, indeed, but little regard ought to be paid to any of them, as none of them ever found Fault with Mr. Webster's Essay, for want of knowing better them-

OF BOOK-KEEPING.

35

Per Contra.		CR.
1752		
Sept. 18	By <i>E. Johnson and Co.</i> per 40 Ps. Hollands sold him, to pay in 3 Ms. — — — — —	700
23	By <i>Cash</i> - - - per received for 560 Yds. Lace — — — — —	798
		<u>1498</u>

Per Contra.		CR.
1752		
Sept. 23	By <i>Mercha.</i> received from <i>F. Van Tromp</i> per the neat Proceeds of that Adventure — — — — —	1352 11
Oct. 10	By <i>T. Millington</i> per Abatement on his Bill for dying — — — — —	5
		<u>1352 16</u>

Per Contra.		CR
1752		
Nov. 20	By <i>Cousin Kind</i> per his half of the first Cost of said Ship — — — — —	350 0
Jan. 10	By <i>Pro. and Loss</i> per my Loss on said Ship, it being blown up and quite destroyed — — — — —	368 5
		<u>718 5</u>

Per Contra.		CR.
1752		
Nov. 23	By <i>Cash</i> per received of him — — — — —	350
	By <i>Ballance</i> due to me — — — — —	18 5

themselves : The great Success which he met with, seeming to be the only Inducement for others to appear in Print also, in hopes of coming in for a Share of it.

Having now prepared those who would study, and make themselves Proficients in the *Art of Book-keeping* sufficiently, for going through the *practical* Part of it, which cannot be accomplished without Use and Application, any more in this *Science*, than in all others, as I have already observed ; I must refer myself further, to the *Second Part* of my *Complete System* : where will be found the *Form* of an *Inventory* to begin with, and the *Plan* of a regular Course of *Book-keeping* to proceed upon, formed on the Rules before spoken of, containing the Transactions of six Months Trade ; so well contrived, as that it gives *Examples* of every manner, in which a *Merchant* can carry on Commerce at all : Which Manners it may not be improper to enumerate here, before I conclude.

Trade or Commerce, may be carried on by a *Merchant* under different *Circumstances*, and the Affairs relating to it, may be transacted in different *Ways* : as,
In

In the *first Place*, a MERCHANT may carry on Business upon his *own Stock and Bottom*, without having any other Person to share with him, in either his *Profit*, or his *Loss*, or in the *Direction* of his Affairs.

Secondly, a MERCHANT may carry on Business in *Partnership* with some other Person or Persons, who is, or are to share with him in both his *Profit* and his *Loss*, and in the *Direction* of his Affairs, according to Engagements entered into between them: Engagements, which are wont to be entered into for the Duration of some certain Number of *Years*; and Engagements also, which may relate to either the *whole* Extent of the Trade and Business of a Merchant, or to some *particular Branch* of it only. That is to say, a Merchant may have *two or more* Branches of Business at once, and have at the same Time a *separate Partner*, or *separate Partners* in each of them: or have a *Partner* or *Partners*, as to *one* of them or *more*; and have *no Partner* at all as to the *other*, or the *rest* of them. Or else a Merchant's Partnership may possibly extend no further, than an *Adventure* made in respect of some particular *Voyage*, or the *Purchase* of some certain Parcel or Parcels of Goods, either *entered upon*, or *purchased* on *Occasion* upon a *joint Account*: Nor last any longer than till such time as the *Affair* is *completed*.

Thirdly, a Merchant may carry on Business, by negotiating Affairs for some other Person or Persons, as his, her, or their *Factor*: or, on the other hand, he may employ a *Factor*, or *Factors*, to negotiate Affairs for him. In both which Cases, the Affairs which are transacted, are not under the immediate Care of the *Principals*, or *Owners* of the Goods in question, but are committed to the Management of *Agents*, no way concerned in their *Property*.—Or else a Merchant may negotiate Affairs as a *Factor*, in respect of *Merchandise*, in which he hath some certain *Share* and *Property* too; and consequently act in a *double Capacity* in that regard, namely, as both a *Factor* and *Proprietor*.

If a Merchant engages in Business upon his *own Stock and Bottom*, without having any other Person to share with him, in either his *Profit*, or his *Loss*, or in the *Direction* of his Affairs, he must, at his first Entrance thereon, make out an *Inventory* of all his *Effects*, or *Estates*, both *real* and *personal*; which being done, he must make *Account of Stock* DR. for them on his JOURNAL; and *sundry Accounts* (that is to say, *some certain Accounts* to be raised upon the LEIDGER, under Titles proper to distinguish every Article of his *Effects* and *Estates* by) must at the same time be made CR. for them, in order to their being posted, each to the Account to which they belong, that by means of such an *Inventory*, and of the Articles belonging thereto, being brought upon their respective Accounts, he may be always able to see the *Produce* of each Article of his Effects; and whenever he hath a mind to make up his Books, which most Merchants are wont to do every Year, whether his *Capital* or *Stock* increaseth or diminisheth by the *Trade* which he drives; *Account of Stock* being to continue upon his Books, from *first* to *last*, i. e. from the Time of a Merchant's first Entrance on Trade, to his final leaving it off.

If a Merchant engages in Partnership with some other Person, or Persons, each of the Parties so engaged, must put in some certain *Sums* of *Money*, or else *Effects* to some certain *Value*, in order to raise a *Fund*, wherewith to carry on their *Trade*; and *Account of Cash*, or an *Account*, or *Accounts* of the *Article*, or *different Articles* which have been so furnished, must be made DR.

for

for the same; and the *Partner* who furnished the said *Cash*, or *Effects* must be made CR. for so much as he put in, upon *Books of Account*, which are to be in common to every *Partner*. But then each *Partner* ought to keep the Account of his own *Capital* or *Stock*, of which I have been speaking above, upon some *private* Books of Account belonging to himself alone; upon which he must likewise keep an Account of the *Money*, or *Effects* furnished by him for the *Fund*, by which his Trade in *Partnership* is carried on, together with whatever *Accounts* besides, he may find to be necessary to give him a true State of all his Affairs, as well in *particular*, as in *general*.

If a *Merchant* is engaged in more Branches of Business than *one*, and hath a *Partner*, or *Partners* in *one* Branch, who is, or who are no wise concerned with the *Partner*, or *Partners* which he may have in *another*, or *other* Branches, or which he enjoys by himself; then in such a Case, *separate Funds* must be raised for carrying on each Business, by the *Partners* belonging thereto, or the *Proprietor* thereof, and *separate Books of Accounts* must be kept in regard to the Affairs transacted by each distinct Company, or Party.

But if the *Partnership* which a *Merchant* engages in, regards only an *Adventure* made on some certain *Voyage*, or the *Purchase* of some certain *Parcel of Goods* on a joint Account, with some other *Merchant*, or *Merchants*, who have some certain *Share*, or *Shares* therein, as well as himself; then in such a Case, *Account of the Voyage* which had been so undertaken, or *Account of those Merchandises* which had been so purchased, must be made DR. for the *Share* or *Part* which he hath therein, and *Cash*, or some other *Account*, or *Accounts* properly belonging thereto, must be made CR. for the *Sum* or *Value*, that had been furnished for his *Part*, and *Proportion* thereof.

Lastly, If a *Merchant* negotiates Affairs for some other *Person*, or *Persons*, as *his*, *her*, or *their Factor*; or employs some certain *Factor*, or *Factors* to negotiate Affairs for him; he must keep his *Accounts* in the manner as I have already described, by the *Forms* given of the *Accounts* of *John James*, and of *Hans Van Daelen*, at the Time when *one* of them acts as a *Merchant*, and the *other* as a *Factor*.

And, as it is necessary for a *Merchant* to begin his Books with an *Inventory* of all his *Estate*, both *real* and *personal*, at his first setting out in Trade, as I have already observed; so he must always end his Books with an *Account of Balance*, serving to set down all the *Balances* of all his Accounts which stand open at the Time of his beginning of new Books: An *Account of Balance* which must be likewise made at any other Time whatever, that he settles his Affairs, and should think fit to continue the use of his *old Books*. These *Balances* must be placed either to the DEBTOR or CREDITOR of *Account of Balance* afore-said, so as that the Accounts to which they belong, may be balanced and shut up, by being made either CREDITORS or DEBTORS to the same. And, whenever a *Merchant* begins new Books, he must open them with bringing all the *Balances* of his Accounts which had been shut up, by placing them to *Account of Balance* upon his *old Books*, to the same Accounts again upon his *new*, just in the same manner, and under the same Titles, as they stood before they were so shut up; and this is to be done by making those Accounts on the new Books, either DEBTOR or CREDITOR, as the Case requires it, to *Account of Balance*, as standing on the *old Books*.

Affairs in Trade may be transacted in different ways, in another respect also; as for *Example*,

In the *first Place*, a *Merchant* may sell his *Merchandise* for *ready Money*, or for *Bills of Exchange*, which he can generally pay away again as *Money*, as soon as he receives them.

Secondly, a *Merchant* may sell his *Merchandise* upon *Credit* or *Trust*, in such a manner, as that instead of receiving *ready Money* for them, he agrees to wait some certain time for the *Payment* thereof.

Thirdly, a *Merchant* may sell his *Merchandise* by way of *Barter*, or *Exchange*; that is in other Words, the giving *one Sort* of Goods or *more*, in order to receive some *other Sort* or *Sorts* of Goods in return; or else, a *Merchant* may sell his *Merchandise*, either partly for *Cash*, and partly for *Bills of Exchange*, or any other *Effects*; or partly for *Trust*, or by way of *Barter*, and partly otherwise.

If a *Merchant* sells his *Merchandise* for *ready Money*, or for *Bills of Exchange*: in the *first* of those Cases, *ACCOUNT of Cash* must be made *DEBTOR* for the *Sum of Money* which the Goods sold amounts to; and in the *second*, *ACCOUNT of Bills of Exchange* must be made *DEBTOR* for the same. And on the other hand, *ACCOUNT of the Merchandise* that was sold, must be made *CREDITOR* for them, because that either *Cash*, or *Bills of Exchange* come into the *Merchant's* Custody and Possession, instead of the Goods that go out of it.

If a *Merchant* sells his *Merchandise* to any Person upon *Trust*, or *Credit*: In that Case, the Person who *buys* the Goods must be made *DEBTOR*, and *the Account*, or *Accounts of the Merchandise* that were sold, must be made *CREDITOR* for them; because the Goods which he hath *bought*, and *received* into his Custody, become thenceforth his *Property*, which were *mine* before, and consequently *his whole Capital*, or all that he is worth, is become answerable for the *Payment* of it.

If a *Merchant* sells his *Merchandise* by way of *Barter*, or *Exchange* of some *one*, or *more Sorts* of Goods, against *some other Sort* or *Sorts* of Goods; in that Case, *Account of those Goods* which come into my Custody, by means of such *Barter*, or *Exchange*, must be made *DEBTOR* to *Account of the Goods* that go out of it. And if a *Merchant* sells his *Merchandise* partly for *Cash*, and partly for *Bills of Exchange*, or any other *Effects*, *SUNDRY ACCOUNTS* must be made *DEBTOR* for it, namely, *Cash*, for so much as he received in *Money*; and *Bills of Exchange*, for so much of it as he received in *Paper*; and *Effects of any other Kind*, for so much as the *Effects* received amount to. And the same Method must be taken, in Case he sells his *Merchandise* partly for *Trust*, or by way of *Barter*, and partly otherwise.

Having said thus much in regard of the *Theory of Book-keeping*, and illustrated the whole with proper Examples and Remarks, I must now refer my Readers, who may want further Information, to the *Second Part* of my *Complete System*, and to the *Plan of Accounts*, in respect of the carrying on a regular Commerce contained therein, not doubting but they will find full Satisfaction from thence; and shall now proceed to set forth the Method of keeping *Account of Bank Stock*, &c. illustrated with proper Examples, also.

Manner of keeping Account of BANK, INDIA, SOUTH SEA, and other STOCKS,

AFTER

The ITALIAN METHOD of BOOK-KEEPING.

I SHALL enter on this Subject with observing, that the *Forms* for keeping the *Stocks* abovementioned, stand on the next Pages: Concerning which I shall remark here, that Account of *Cash*, the Sum of which in hand, I suppose to be *One Thousand Pounds*, according to a *Ballance* made up just before, is kept here on a *Cash Book*, and not brought on a *Journal*, such as Merchants use at all; the Manner in which it was kept all along before, in treating of the Subject which I just concluded. A Circumstance this, which causes a very material Difference in conducting Books of Account; because all the Articles belonging to them, and particularly to those Accounts which I am now treating of, namely, *Bank*, *India*, and *South Sea Stock* are to be posted directly from the *Cash Book*, to their respective Accounts formed on the *Leidger*: And in Consequence thereof, as on the one hand, the Folios of those Accounts on the *Leidger* must be set on the *Cash Book*, opposite to every Article as soon as it is posted; so upon the other, the Folios of the *Cash Book* must in like manner be set against every Article posted to the *Leidger*. A Method which, as I have already hinted at, must always be observed in regard of all other Transactions, besides those relating to the *Stocks*, whenever Account of *Cash* is kept on a *Cash Book*, and not on the *Leidger*.

This was the Method, indeed, which Mr. *Webster* used in conducting the Set of Books contained in his *Essay* afore spoken of: For instead of making the Folios of his *Journal* and *Leidger* to refer to each other, as by the Rules of the *Italian Method of Book-keeping* they ought to have done, the Folios of the different Accounts on his *Leidger*, refer to the *Per Contra* Accounts relating thereto, respectively.

In conducting the *Forms* for keeping Account of the *Stocks* aforesaid, I have not set down the Charges attendant on transferring them from one Person to another, such as *Brokerage*, &c.; as they might be either placed to their respective Accounts of *Stock*, or else to Account of *Profit and Loss*. And here it must be observed likewise, that whenever the said Accounts come to be ballanced, it must be done by Account of *Profit and Loss* also, if any thing hath been either gained, or lost by the Transaction.

I have now nothing more to say, till we proceed to the *Forms* themselves, only to take Notice, that the *Lines* for keeping the *Capital Stock* on the *Bank* and *India* Accounts, are placed by the *Column* appointed to keep the Folios of the different Accounts in: Whereas those for keeping it on *South Sea Stock* Account, are placed otherwise. Now, as both of these Methods are strictly regular, they may be used according to every one's Will, indifferently.

The

Of BOOK-KEEPING.

The Forms for keeping *Bank, India, South Sea*, or other

CASH.				DR.
1757 July 20	To <i>Ballance</i> , per so much rem ^a . in hand as by Acc ^t . settled this Day	—	1000	
Aug. 15	To <i>Bank Stock</i> , per so much rec ^d . of <i>Edward Ellis</i> for £300. Capital sold him at 121 per Ct.	— 2	363	
16	To <i>India Stock</i> , per so much rec ^d . of <i>Simon Swaart</i> for £200. ditto sold him at 136½ per Ct.	— 3	273	
17	To <i>South Sea Stock</i> , per so much rec ^d . of <i>Tbo. West</i> for £100. ditto sold him at 100 per Ct.	— 4	100	

BANK STOCK.				DR.
1757 July 22	To <i>Cash</i> per so much paid <i>Solomon Blanco</i> for £300. Capital bought of him at 120 per Ct.	Capital 300	1	360

INDIA STOCK.				DR.
1757 July 23	To <i>Cash</i> per so much paid <i>Robt. Biggs</i> for £400. Capital bought of him at 134 per Ct.	Capital 400	1	536

SOUTH SEA STOCK.				DR.
1757 July 23	To <i>Cash</i> per so much p ^d . <i>Joseph Hayes</i> for	Capital 100	at 101 per Ct. b ^t . of him	1 101

OF BOOK-KEEPING.

41

Stocks after the *Italian* Method of Book-keeping.

Per Contra.		CR. 1	
1757 July 21	By <i>Bank Stock</i> , per so much paid <i>Solomon Blanco</i> for £300. Capital bought of him at 120 per Ct. — 2	360	
22	By <i>India Stock</i> , per so much paid <i>Robt. Biggs</i> for £400. ditto bought of him at 134 per Ct. — — — 3	536	
23	By <i>South Sea Stock</i> , per so much paid <i>Joseph Hayes</i> for £100. ditto bought of him at 101 per Ct. — — — 4	101	

Per Contra.		CR. 2	
1757 Aug. 15	By <i>Cash</i> per so much rec ^d . of <i>Edward Ellis</i> for £300. Capital sold him at 121 per Ct. — 300	1	363

Per Contra.		CR. 3	
1757 Aug. 16	By <i>Cash</i> per so much rec ^d . of <i>Simon Swaart</i> for £200. Capital sold him at 136 $1\frac{1}{2}$ per Ct. — — — — — 200	1	273

Per Contra.		CR. 4	
1757 Aug. 17	By <i>Cash</i> per so much rec ^d . of <i>Tho. West</i> for — 100	Capital fold him at 100 per Ct.	1 100

These Forms were drawn up at the Instance of a *Gentleman*, who had a great Property in the *Public Funds*; and, as they were approved of by him, they may possibly be of Use to some others, who know less of the Matter than he did.

F I N I S.

The following Books, wrote by Mr. LONDON, may be had at the Publishers hereof; viz.

1st, **A** Complete System of Book-keeping, after the Italian Method; wherein the Principles of that Art are set forth and explained; Examples of all the different Accounts which naturally come to be formed and kept, in carrying on a regular Course of Trade, after all the different Manners a Merchant can engage therein are given; the Manner of applying the said Method to the Use of *Warehousemen*, *Shopkeepers*, *Owners of Estates*, *Stewards*, and others is shewn; and the Errors, Defects and superfluous Accounts, which abound in the Writings of Schoolmasters and others, who have taken upon them to treat thereof, without having ever served in Merchants Counting Houses, are corrected, supplied and retrenched: Particularly those contained in an *Essay on Book-keeping*, according to the true Italian Method, &c. published by *William Webster*, and corrected by *Ellis Webster*, LONDON 1749, The Tenth Edition.

2^{dly}, The Art of Book-keeping made easy to the Young, and the Unexperienced, by Forms adapted to the immediate Concerns of Persons in the following Stations of Life, viz.

Youth at School, *Apprentices*, and *Servants* of both Sexes, who would keep a regular Account of their Disbursements of any Kind, laid out, either for themselves, or their Principals, or both.

Owners of Estates, or *Stewards* and *Rent-gatherers*, who would keep a regular Account of Things in their Way, though not concerned in Trade at all.

Warehousemen, *Shopkeepers*, and such like as are concerned in Trade, and would conduct their Accounts after the most regular Method.

The whole carried on by double Parties, though without a Journal such as the Merchants use.

These Forms are so contrived, as that by giving at first, Examples the most familiar and easy to be understood, a thorough Knowledge of the Art may be attained to afterwards; the whole being founded on the Plan, and designed as an Introduction to the Study and Practice of a larger Work, intitled, *A Complete System of Book-keeping after the Italian Method*, &c.; and proper to be bound up with it. Calculated for the Use of such as would be instructed in so valuable and so necessary an Art.

3^{dly}, Forms for setting down to Account an *Housekeeper's* Expences, as also for making out *Artificers* and *Tradesmens* Bills, and Bills of Parcels; drawing Receipts or Acquittances, Notes of Hand, and Bills of Exchange; and for writing familiar Letters or Epistles.

Drawn up for the Use of both Sexes at School, that by copying them out, they may not only be taught to write a Running Hand, fit for Business, but acquire, at the same time, as much Knowledge of Arithmetick and Accounts, as nobody ought to be ignorant of: These Forms teaching how to apply the Use of Figures to real Business.

Very proper for private Families, as well as Schools, as the Generality of Servants of both Sexes, as well as many other Persons of a higher Rank, may find somewhat to improve and divert them at their leisure Hours.

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